PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 532 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2010–2012

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5 September 2011

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2010]

SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 532**

TWENTY-THIRD VOLUME OF SESSION 2010-2012

House of Commons

Monday 5 September 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

COMMUNITIES AND LOCAL GOVERNMENT

The Secretary of State was asked—

Business Rates (Local Retention)

1. **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): What plans he has to localise national non-domestic rates; and if he will make a statement. [69919]

3. **Mr David Burrowes** (Enfield, Southgate) (Con): What the timetable is for the implementation of local retention of business rates. [69921]

6. **Esther McVey** (Wirral West) (Con): What the timetable is for the implementation of local retention of business rates. [69924]

7. **Nadhim Zahawi** (Stratford-on-Avon) (Con): What the timetable is for the implementation of local retention of business rates. [69925]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): The Government have published proposals to allow local retention of business rates and are seeking views by 24 October. The plans give councils a strong financial incentive to drive economic growth, as well as providing protections for places in need of additional support. Subject to the outcome of the consultation, we intend to introduce business rates retention by April 2013.

Luciana Berger: There is significant concern in cities such as Liverpool that councils will lose money after the first year if they cannot adjust quickly enough to the changes. We have had reassurances from Ministers that councils will get that support in the first year, but will the Secretary of State guarantee that they will get that additional support in years 2, 3 and 4?

Mr Pickles: Had the provisions been in place over the past few years, Liverpool would have done particularly well out of the system. I am confident that the leadership of Liverpool will respond to this, because it puts Liverpool very much in the driving seat. My opinion is that Liverpool is an extremely good place to invest.

Mr Burrowes: Following the riots, the viability of high streets is a priority. For my local shops, the priority is reform of business rates, which they see as too high and lacking any real connection with local services and local decision makers. Can the Minister hasten the day when business rates are not an issue for his Department?

Mr Pickles: I certainly hope so. We recognise the burden of rates on small businesses. That is why we are doubling small business rate relief until the end of September 2012. Approximately a third of a million business rate payers, including small shopkeepers, will pay no rates at all for this period, and through the Localism Bill we are giving authorities powers to grant business rates discounts as they see fit.

Esther McVey: Businesses on Wirral are concerned that the retention of business rates might result in increased business rates. As the party of the small business, how are we going to protect those small engines of growth in these difficult times?

Mr Pickles: My hon. Friend makes a reasonable point, and I can assure her that part of the consultation makes it clear that local authorities will have the ability to bring business rates down, but not to put them up.

Nadhim Zahawi: In my constituency, the local enterprise partnership is moving swiftly to create business growth across both Warwickshire and Coventry. Can the Secretary of State explain which mechanisms will allow LEPs to receive funding from business rates where they, working with the local authority or alone, have been responsible for economic growth in the area?

Mr Pickles: LEPs are a partnership between local authorities and business, and we will be encouraging, though we will not be prescribing, local authorities to pool the business rates. I know that a number of authorities around Greater Manchester, west Yorkshire and particularly London are actively considering pooling arrangements, which has the advantage that poorer areas can benefit from richer areas.

Michael Dugher (Barnsley East) (Lab): Barnsley council has estimated that, had the arrangements been in place last year, it would have seen a cut of more than £40 million last year. Does the Secretary of State think it is fair that poorer areas such as Barnsley may face pressures in delivering vital local public services, whereas wealthier areas may see their business rates receipts go through the roof?

Mr Pickles: If business rates go through the roof, they will be caught by the "disproportionate" rule and those sums will be taken away and distributed to poorer areas. This was designed to help councils such as Barnsley to retain local growth. The figures that I have seen—we received some figures from Barnsley during the recent settlement—did not appear to be entirely accurate. I am happy to work with the hon. Gentleman to get the best possible deal for Barnsley.

Barbara Keeley (Worsley and Eccles South) (Lab): Ministers—*[Interruption]*—have already made savage front-loaded cuts to council budgets, and now they want to top-slice the proceeds of business rate growth which they promised to local councils. Localising business rate growth should give local authorities an incentive to grow their business base and to create jobs. Will the Minister explain just how central Government's top-slicing of business rate growth can provide that proper incentive? Is it not just another hit on local government finance?

Mr Pickles: The hon. Lady was clearly missed by Members on her side of the House, and indeed by those on ours, judging by that welcome.

The only top-slicing that will take place is with regard to disproportionate gains, and I am pretty confident that Kensington and Chelsea and Westminster councils will see enormous increases in their rates. It is only right that we take that money away and see that it is distributed to other parts of the country, such as to Barnsley. I would have thought that she would support that.

Mr Philip Hollobone (Kettering) (Con): What incentives will there be to encourage local authorities to introduce special low business rates for green energy schemes?

Mr Pickles: The Localism Bill gives local authorities the discretion to do that, and my hon. Friend makes a very sensible suggestion which I am very confident a number of local authorities will take up.

High Streets (Planning)

2. **Nick Smith** (Blaenau Gwent) (Lab): What steps his Department is taking to support high streets through the planning system. [69920]

The Minister of State, Department for Communities and Local Government (Greg Clark): It is a devolved matter for the hon. Gentleman's constituents, but the Government are committed to the "town centre first" approach, which prefers to site new retail developments on the high street.

Nick Smith: I thank the Minister for his reply. The new planning system framework calls for a presumption in favour of sustainable development. Today, however, the *Financial Times* describes that phrase as "vaguely defined". Will the Minister please take this opportunity to offer us a precise definition?

Greg Clark: It is the same definition that the previous Government and Governments before them applied. In fact, it is the classic definition. It is that development that takes place should not be at the expense of the interests of future generations—and that is defined economically, socially and environmentally.

Annette Brooke (Mid Dorset and North Poole) (LD): The national planning policy framework has a welcome heading on promoting the vitality and viability of town centres, but the Minister was reluctant to make an addition to the Localism Bill concerning district centres and the important relevant hierarchy. What protection will he give to local neighbourhoods in the control of uses and in keeping local district shopping centres viable and vital?

Greg Clark: I am grateful to my hon. Friend for her question. The Localism Bill, through neighbourhood planning, provides precisely such a basis to protect and, indeed, promote the future of district high streets, and we have already funded a number of areas, especially on high streets, in order to demonstrate their ability to capture the importance of regional high streets as well as of city centres.

Mr Clive Betts (Sheffield South East) (Lab): One of the most successful policies of the previous Conservative Government was their change to the planning guidance in the mid-'90s to ensure that priority was given to retail development in district or city centres or adjacent to them. Will the Minister now give an assurance that his proposed changes to the planning system will not water that down in any way and lead to an increase in stand-alone retail developments at the expense of our city and town centres?

Greg Clark: Yes.

Duncan Hames (Chippenham) (LD): Local communities, such as Chippenham, which choose to bring forward neighbourhood plans to facilitate redevelopment of

their town centres may at the same time wish to restrict development of out-of-town and edge-of-town developments. Will neighbourhood planners have the authority to do that?

Greg Clark: Not only will they have the authority do so, but national policy will continue to be clear that retail developments should be in town centres first. That is crystal clear. It has been a very successful policy, which was first introduced by John Gummer when he was Secretary of State.

Jack Dromey (Birmingham, Erdington) (Lab): The Government have weakened protection for the high street in the national planning policy framework and rejected Labour's call for local people to have the powers to plan their high streets, instead setting up a review and a retail summit. Does the Minister not recognise that what the high street needs is real action and real shops if we are to put the heart back into Britain's hard-hit high streets?

Greg Clark: There is no dilution of the importance of town centres—of putting high streets first. In fact, over and above the planning system, we have relaxed parking standards so that people are able to drive and park in town centres—crucial, if they are to compete fairly with out-of-town centres. It repeals something that the previous Government introduced, sadly, which was blighting town centres. We reversed that.

Local Government Expenditure

4. **Chris White** (Warwick and Leamington) (Con): What steps his Department is taking to increase the efficiency of local government expenditure. [69922]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): The most important thing that the Government are doing is to return power to local authorities, because they are the people who are best placed to manage their resources in a way that meets local priorities, but specifically we are also supporting a raft of initiatives, such as the local government procurement programme.

Chris White: Recently, I met a local business, Colan Ltd, which was concerned about the way that local authorities procure goods and services. My constituent stated that local authorities have conflicting policies that are costing small companies such as his and in some cases are wasting public money. Will the Minister detail what work is being done to put in place more joined-up procurement across local authorities to support small businesses and ensure better use of public money?

Robert Neill: My hon. Friend makes a fair point. The estimate is that some 20% could be saved on the £50 billion that local authorities spend on third parties, which is about £452 per family a year. To that end, the Government are working with the Local Government Group on behalf of the sector to identify short and longer term savings through the local productivity programme.

Kevin Brennan (Cardiff West) (Lab): On spending efficiency, my local housing association tells me that a lone parent with a spare room might be moved from housing association accommodation into private rented accommodation at a cost of £40 more under the new housing allowance. Is that an example of Government ideology or just of stupidity?

Robert Neill: I suspect that it is an example of inaccurate point scoring by the hon. Gentleman. We propose to give local authorities greater flexibility to meet the pressures that vary from place to place, rather than having a "one size fits all" straitjacket.

Transparency in Local Government

5. **David Morris** (Morecambe and Lunesdale) (Con): What steps he is taking to improve transparency in local government. [69923]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): Following public consultation earlier this year, I will shortly publish a code of recommended practice on transparency, setting out the principles and minimum standards that authorities should follow. That will ensure that councils can be held fully accountable to the people they serve.

David Morris: I think we can all agree that greater transparency is a friend of the democratic process, but it needs to be backed up by the empowerment of local residents. How will the Localism Bill drive through both transparency and greater democratic input?

Mr Pickles: The Localism Bill will indeed do that. Perhaps the most notable of its provisions is on the transparency of chief executive and senior salaries, which will have to go through a vote of the whole council. I am sure my hon. Friend understands that the Localism Bill is just part of the move towards transparency, which might better be described as ensuring that the public are kept informed.

Chris Leslie (Nottingham East) (Lab/Co-op): How transparent is it for Ministers to mask the real cuts in local government spending, such as the 16% cut for Nottingham city council, by dreaming up a statistical methodology that they call spending power and spinning it as a cut of just 8%? Why do they not just come clean about the cuts to the poorest areas in the country?

Mr Pickles: The body that thought up the spending power recommendation was the Local Government Association. Indeed, immediately before we announced it, the hon. Member for Derby North (Chris Williamson), who is sat on the Labour Front Bench, endorsed it as the way we should go.

Enterprise Zones

8. **Gavin Barwell** (Croydon Central) (Con): What plans he has to designate further enterprise zones. [69926]

The Minister of State, Department for Communities and Local Government (Greg Clark): The Government have authorised 22 enterprise zones. We do not have plans to appoint any more. However, local enterprise partnerships can confer many of the advantages of enterprise zones without reference to central Government.

Gavin Barwell: I warmly welcome the £20 million that the Government are giving to the Mayor of London to support enterprise in Tottenham and Croydon in lieu of the designation of an enterprise zone. Will my right hon. Friend confirm that that money will not be ring-fenced in any way? Will he meet a delegation from the Mayor's office and Croydon council to discuss how else the Government can support the regeneration of Croydon in the light of what happened a month ago?

Greg Clark: First, I pay tribute to my hon. Friend for the leadership he has shown in the community of Croydon in the wake of the riots. I am pleased to give him the assurance he seeks. The money will be unring-fenced and can be spent in the way that the people of Croydon think best. I am happy to meet such a delegation and I think that my right hon. Friend the Secretary of State will be visiting Croydon this week.

Joan Walley (Stoke-on-Trent North) (Lab): When asked on BBC Radio Stoke why Stoke-on-Trent and Staffordshire was not selected as an enterprise zone in round 1, the Prime Minister, standing in Stoke-on-Trent, said:

> "Look, you're not missing out on an enterprise zone, there will be an enterprise zone within the Stoke and Staffordshire Local Enterprise Partnership...and there will be one in this area and we'll be advised by the Local Enterprise Partnership about where it should go."

The local enterprise partnership did advise, but we were not on the list. The map boundaries have not changed, and we are not part of the black country. What support will the Government now give to provide the enterprise investment that is needed, and will the Minister look again at our being included?

Greg Clark: I understand the hon. Lady's disappointment that that particular bid was not approved, and I would be very happy to meet her to explain why. However, there is some consolation in the fact that 90% of the black country's enterprise zone is located in the Stoke and Staffordshire area, so there is some good news for the regeneration of her area.

Philip Davies (Shipley) (Con): Can the Minister explain why part of Leeds should be an enterprise zone, but Bradford should not be and neither should Shipley? Indeed, can he explain why the whole country should not be an enterprise zone?

Greg Clark: Our ambition is to make the whole country an enterprise zone, but we go one step at a time. The answer to my hon. Friend's question is that the decision was made by the local enterprise partnership. Unlike the previous round of enterprise zones, these ones were not picked in Whitehall. It was for the local enterprise partnership to designate where it thought the zone would work best.

Mr David Lammy (Tottenham) (Lab): There were two areas in London bidding for an enterprise zone prior to the riots: Tottenham and Croydon. Neither was granted enterprise zone status, but we were given a £20 million fund, for which I am grateful. However, it cannot be right that of Tottenham's £10 million fund, £8 million should go to Tottenham Hotspur football club. I want to support the football club, but we will need far more regeneration in Tottenham if we are to see the kind of turnaround that we need in the poorest area in London. Will the Minister meet me to discuss how we can move forward?

Greg Clark: Having paid tribute to my hon. Friend the Member for Croydon Central (Gavin Barwell), I pay tribute to the right hon. Member for Tottenham (Mr Lammy) for his leadership in Tottenham. He knows that the funding is available to Tottenham, as indeed it is to Croydon, and I would be very happy to meet him to discuss how it is going to be spent.

Housing (Armed Forces Personnel)

9. **David T. C. Davies** (Monmouth) (Con): What plans his Department has in respect of the provision of housing for current and former members of the armed forces. [69927]

The Minister for Housing and Local Government (Grant Shapps): I am determined to ensure that those who have served or are serving in the military and armed forces get all the help and assistance possible with purchasing a home, and indeed in the Government's affordable home programmes.

David T. C. Davies: I thank the Minister for that reply, but may I draw his attention to today's *Daily Mail*, which highlights the rather shocking disparity in the housing accommodation offered to asylum seekers and to ex-members of the armed forces such as Private Alex Stringer, a triple amputee? Can the Minister assure us that the Government will bring forward schemes to prioritise housing for ex-servicemen and women? I believe that those who have recently fought for their country deserve better accommodation than those who have merely recently arrived here.

Grant Shapps: I say to my hon. and, I believe, gallant Friend that I entirely agree that it is essential that people who have been through armed service for this country should expect not just to have the disadvantages removed of having been away, such as perhaps a lost connection with the local area, but to be positively advantaged. I reassure him that that is exactly what our policy is intended to do. I can tell the House that just this weekend the very first recipients under the Government's new Firstbuy scheme, in which we aim to ensure that service personnel benefit, were Mr and Mrs Ferguson of Telford, who have just moved into a four-bed home. He was a military policeman in the Army.

Licensing Areas

10. **Graham Jones** (Hyndburn) (Lab): What assessment his Department has made of the effectiveness of selective licensing areas. [69928]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): The Housing Act 2004 requires local authorities to review the operation of selective licensing designations, and I certainly encourage them to do so. The Department has therefore not carried out an assessment itself of the effectiveness of those areas.

Graham Jones: The main problem with selective licensing, of course, is that it does not deal with stock condition, and we see many properties in selective licensing areas that are squalid. Can the Minister assure local communities that the Government will allow councils to include the most recent decent homes standard as a licence condition?

Andrew Stunell: I know that the hon. Gentleman has been very active on this issue, and I know that he has a meeting with my right hon. Friend the Minister for Housing and Local Government next week, at which I am sure he will make that point very strongly. Licensing conditions are matters for local authorities when they draw up their proposals.

Chris Williamson (Derby North) (Lab): With more than 1 million people living in substandard privately rented accommodation, and with massive front-loaded cuts to council budgets making it harder to tackle slum landlords, the Housing and Local Government Minister is clearly failing in his responsibilities. However, as Henry Ford once said:

"Failure is only the opportunity to begin again more intelligently."

Will the Minister therefore adopt a more intelligent approach and abandon his laissez-faire attitude to regulation, which is creating a charter for slum landlords, by implementing the light-touch licensing system recommended by the Rugg review, adopted by Labour and welcomed by the National Landlords Association and the Association of Residential Lettings Agents?

Mr Speaker: Order. We are obliged to the hon. Gentleman, but I think we have got the gist of it.

Andrew Stunell: I am happy to tell the House that 14 local authorities have accepted selective licensing areas—they have approved them and put them in place. That is the way to go. Local authorities should have the power and the responsibility to do that; they should not have the obligation to do it.

Empty Homes

11. **Paul Maynard** (Blackpool North and Cleveleys) (Con): What steps his Department is taking to reduce the number of empty homes. [69929]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): We have put in place powerful tools and incentives to support local communities in tackling empty homes. Particularly through the new homes bonus, communities will receive a direct financial reward for bringing an empty home back into use, and, of course, we are investing £100 million in tackling empty homes directly.

Paul Maynard: With more than 2,000 empty homes across the Blackpool and Wyre boroughs covering my constituency, does the Minister agree that tackling the relatively simple issue of filling empty homes in urban areas would reduce pressure on existing greenfield and green belt sites?

Andrew Stunell: I certainly agree with the hon. Gentleman that it is a scandal that we have in this country 300,000 homes that have been empty for longer than six months. In Blackpool and Wyre, the number of empty homes actually fell last year, and I want to give credit to the work of Blackpool council's working group, which is working with other agencies to reduce that number. However, the investment that we will announce later this month will make a big difference to the figures nationally, and, I hope, in his area.

Alison Seabeck (Plymouth, Moor View) (Lab): I draw the House's attention to my previous declarations of an indirect interest, which are a matter of record.

Although I welcome all attempts to bring empty homes back into use—I saw some excellent examples during the recess of self-help schemes that do just that, including in Leeds and Hull—homelessness and rent have increased, as the Minister of State, Department for Communities and Local Government, the right hon. Member for Tunbridge Wells (Greg Clark), admitted over the weekend. It was therefore surprising that his colleague, the Housing and Local Government Minister, wrote to me during the recess to seek my guidance and ideas from Labour's policy thinking. That was from a man who pointed out that the shadow Minister was going to—

Mr Speaker: Order. May I ask the hon. Lady to come straight away to a question? That is what we are here for.

Alison Seabeck: I just thought that that would be an interesting point, Mr Speaker.

Even with the net addition of empty homes being brought back into use, can the Minister tell us when he expects house building under his Government to exceed the 207,000 net additions achieved under Labour in the year before the recession hit?

Andrew Stunell: What I will say is that our investment in social housing, which we announced in the comprehensive spending review with the aim of delivering 150,000 homes, will in fact deliver 170,000 homes. That is a massive success which will increase the stock of social housing above and beyond Labour's targets.

Mr Mike Hancock (Portsmouth South) (LD): Will my hon. Friend put pressure on his colleagues in the Ministry of Defence to see how they can bring back the many hundreds—if not thousands—of married quarters that stand empty around the country?

Andrew Stunell: I certainly hear with great sympathy what my hon. Friend says. We could perhaps have a discussion separately on how we can co-operate to deliver that result.

Caroline Lucas (Brighton, Pavilion) (Green): Could the Minister tell us exactly how many empty homes management orders have been used? As the number is not likely to be very high, does that not suggest that we ought to reform how they are used?

Andrew Stunell: In the five years that empty homes management orders have been in force—they were introduced in 2006—only 46 have been made by local authorities across the country. That contrasts with the 300,000 empty homes, but they are the back-stop. I am

happy to say that a lot of good work is done by many local authorities and other agencies to bring homes back into use. I intend to accelerate that process dramatically.

Bob Russell (Colchester) (LD): I would like to encourage the Minister to pursue with vigour and enthusiasm the points made by the hon. Member for Blackpool North and Cleveleys (Paul Maynard). There are too many empty houses, and if we can get them occupied, there would be a lot less pressure on the open countryside.

Andrew Stunell: That is absolutely true. There has been a substantial failure of the market in bringing many of these homes back into use. That is exactly what our proposals, which are being announced later this month, are intended to address.

Planning Reform

12. **Tristram Hunt** (Stoke-on-Trent Central) (Lab): What discussions he has had with heritage bodies on his Department's proposals to reform planning legislation. [69930]

The Minister of State, Department for Communities and Local Government (Greg Clark): I and my officials have met representatives from English Heritage and other heritage bodies several times to improve the neighbourhood planning aspects of the Localism Bill. I am pleased to say that that has resulted in several helpful amendments that have enjoyed cross-party support.

Tristram Hunt: I thank the right hon. Gentleman for his reply. Would he now like to take the opportunity to apologise to the 3.6 million members of the National Trust, whose concerns over the Government's charter for sprawl were dismissed by the Under-Secretary of State for Communities and Local Government, the hon. Member for Bromley and Chislehurst (Robert Neill), as a left-wing smear campaign? Before the right hon. Gentleman explains whether Sir Simon Jenkins is a Tankie or a Trot, would he not agree that this is just further proof that the Conservatives cannot be trusted with the British countryside?

Greg Clark: I noticed that my hon. Friend described some of the leaders of some of these organisations as "left wing". If it is untrue, it is a great insult; and if it is true, it is a great shame. The hon. Gentleman is a passionate defender of the historic environment, but so too are we on the Government Benches, and we are determined to preserve the character of middle England—but young England needs a roof over its head too.

Harriett Baldwin (West Worcestershire) (Con): In those discussions with heritage organisations, was the Minister able to clarify whether local plans will be able to designate grade I agricultural land with a specific value?

Greg Clark: Prime agricultural land will continue to be protected under the NPPF.

Caroline Flint (Don Valley) (Lab): As has already been said, there has been considerable concern across the country that the Government are trying to steamroller through policy affecting future planning decisions. We were promised that the draft NPPF would be published alongside the Localism Bill. It did not happen. Then we were told that it would be published in Committee. That did not happen either. Then we were assured that it would definitely be published before the summer recess, but that did not happen either. Does the Minister recognise that by trying to bypass Parliament and dismiss legitimate concerns, he has undermined efforts to reach consensus on future planning policy?

Greg Clark: That is total nonsense. The commitment was to publish the NPPF by the end of July, and we did that. On not showing it to Parliament, I should say that I was looking at the record of the previous Government, and I noticed that there was a press release on 6 August 2009 about a new Government consultation on planning regional strategies. The idea, then, that the way we have done this is not in accordance with practice is for the birds. It is nonsense.

Caroline Flint: I am afraid that that answer was not very helpful. I hoped that we could have a constructive discussion. It is in all our interests to have a planning system that can provide jobs, homes and growth in a sustainable way, and we want to work with the Government to put this situation right and reach consensus. In order to move forward, therefore, will he extend the consultation period on the NPPF, hold a debate on it in Government time and allow a vote on the final document, so that Parliament and the country can debate the reforms properly?

Greg Clark: We have put in place extensive consultation arrangements: we put out a call for evidence in January; we invited a practitioners group to publish its suggested draft a few months ago; and we have had the standard consultation period. The right hon. Lady will also know that I have committed to holding a debate here, and have asked the Chairman of the Communities and Local Government Committee to look into the matter. It is very clear—I am completely open about this—that we want to have the fullest possible debate. I welcome her constructive approach. It is much needed because we have a crisis in housing and growth in this country that needs to be addressed by reforming the planning system in order to provide those things.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Under the strategic housing land assessment process started by the previous Government, developers can nominate potential sites to go on a list in a way that does not seem to engage heritage organisations or heritage issues. Given the presumption in favour of development, does that mean that heritage issues cannot be brought to bear as reasons for refusing applications on sites on that list?

Greg Clark: I am happy to give my right hon. Friend an assurance that the primacy of the local plan remains, and that national policy will continue to require rigorous protections to be in place for heritage assets.

Housing (Leeds)

13. **Stuart Andrew** (Pudsey) (Con): What assessment he has made of the five-year housing plan in the Leeds city council area. [69933]

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): It is not for central Government to assess local plans. Our planning reforms make it clear that it is for local councils to assess their local needs and to plan to meet those needs in a way that reflects local priorities.

Stuart Andrew: I am grateful for that reply. What steps is the Department taking to provide guidance to support investment in brownfield and inner-city locations to generate much needed employment and reduce the damaging impact on the environment caused by developing greenfield sites? Will the Minister also look again at counting windfall sites in the five-year plan?

Andrew Stunell: It is certainly proper for local planning authorities to take into account windfall sites, but it is also necessary for every planning authority to ensure that it has sound evidence-based proposals for housing in particular, as well as for other development. I know that my hon. Friend is particularly concerned about the situation in Leeds, and it is really for Leeds to develop its evidence base so that plans can go forward in a sensible and sustainable way.

Rachel Reeves (Leeds West) (Lab): Kirkstall Forge in Leeds West is a brownfield site that has planning permission for 1,000 new homes. However, if they are going to get built, the Department for Transport needs to invest in a new railway station, which, as things currently stand, is on hold. Is there any joined-up thinking in this Government to ensure that such developments get the go-ahead and deliver much needed new homes?

Andrew Stunell: The hon. Lady has made her point, so let me make mine, which is that it is very much for the planning authority approving a development to see what the associated infrastructure should be and how to create the investment force that can deliver it. The new homes bonus will deliver a substantial amount of additional money to Leeds, which can borrow against it in advance to develop the infrastructure that it needs.

Planning Reform

14. **Simon Kirby** (Brighton, Kemptown) (Con): What steps he is taking to remove burdens in the planning system. [69934]

The Minister of State, Department for Communities and Local Government (Greg Clark): We are simplifying the national planning policy framework, as some Members may have noticed. Through the Localism Bill, we are also abolishing the regional strategies, which have placed top-down burdens on every authority in the country.

Simon Kirby: I thank the Minister for cutting back at the thicket of rules and regulations that hamper development. Can he quantify the cost to local authorities of creating neighbourhood development plans?

Greg Clark: The cost of developing a neighbourhood plan will depend on how detailed the plan being executed is. However, we are providing support for every neighbourhood that wants to produce a neighbourhood plan. We have ensured that support will be available even before the Bill is introduced, so that every community that wants to have a neighbourhood plan can get on with it.

Bill Esterson (Sefton Central) (Lab): Is it not the case that the presumption in favour of development at the heart of the new planning framework puts every piece of green space at risk of development?

Greg Clark: I am glad that the hon. Gentleman has raised that question because it enables me to say categorically: no, the answer is that it does not. What the presumption says is that when a local plan is absent or silent, there will be an assessment of whether a development should go ahead, the test of which will be whether it is sustainable, which is absolutely crucial. I have been campaigning for the environment for my entire political career, and I will continue to do so.

Gareth Johnson (Dartford) (Con): Does the Minister agree that for high streets to survive and flourish through the planning system, as much control as possible should remain at a local level and away from regional inspectors?

Greg Clark: My hon. Friend is absolutely right, and this is the situation that we have arrived at, because people quite rightly resist the imposition from above of targets and policies that take no account of local opinion or local needs. By stripping away those impositions from above, we will have plans that represent the views and aspirations of local communities. That will start making people in favour of development, whereas the previous Government set them against it.

Mr Gerry Sutcliffe (Bradford South) (Lab): If the Minister's plans are to support local government, what powers will he give it when developers do not deliver? The Westfield shopping centre in Bradford has taken 10 years to happen, and the local authority has no powers to get the developers to deliver. Has he considered such powers in his new proposals?

Greg Clark: I visited the development site that the hon. Gentleman mentions last month. It is right in the centre of Bradford, and I can see that there is a problem at the moment and that the site needs to be brought back into use. I agreed to work with the leadership of the council to explore ways of doing that, but he will know, as an experienced Minister, that we cannot force a developer to act if it does not have the necessary funds in place to do so.

Local Authority Service Provision

15. **Julie Hilling** (Bolton West) (Lab): What recent assessment he has made of potential effects on levels of local authority service provision of reductions in central Government funding to local authorities. [69935]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): Local government is best placed to assess and decide on local priorities, not Whitehall. This Government have given councils the power and flexibility to take decisions

locally on how to deliver the savings needed, and I hope that they will do so by reducing back-office inefficiencies and high senior salary levels, rather than cutting the front-line services that matter most.

Julie Hilling: Youth workers in Oxfordshire, like others up and down the country, were instructed to work on the streets during the recent disturbances, but they are now all being made redundant. Youth work is clearly a front-line service, so what is the Minister going to do to stop this destruction? I do hope that he is not going to reiterate the nonsense that savings can be made by cutting executive pay and merging back-room functions.

Robert Neill: I am sorry that, in her otherwise serious point, the hon. Lady suggests that efficiency is nonsense; I do not think that it is. In answer to her specific point, the British Youth Council, the National Youth Agency and the National Council for Voluntary Youth Services have all condemned the disorder that we saw on the streets and they are working well with the Government. I hope that she will support the Government's initiative for national citizen service, which is being piloted in the Bolton lads and girls club in her area. There's youth service in action!

New Homes

16. **Mr Nick Raynsford** (Greenwich and Woolwich) (Lab): How many new homes received planning consent in the second quarter of 2011 in England. [69936]

The Minister for Housing and Local Government (Grant Shapps): The latest planning statistics show that in the year to March 2011, local planning authorities granted 37,500 residential planning permissions; that is up 8% on 2009-10.

Mr Raynsford: May I draw the House's attention to my interests?

Will the Minister admit that the figures for the second quarter—the latest available—show that the number of planning consents for residential development were down 23% on last year? That is the second lowest level ever recorded, and less than half the level necessary to provide for housing needs. Will he also now admit that the Government's maladroit tampering with the planning system has created the near impossible—namely, achieving the lowest level of housing planning permissions at the same time as infuriating the National Trust and other countryside groups by the prospect of indiscriminate growth?

Grant Shapps: The right hon. Gentleman was the architect of many of the policies that led to the lowest level of house building since the 1920s. When we rip up the regional spatial strategies, cancel his top-down targets and put local people in charge, we can see the results, not measured over one little quarter that he plucks out of the air but over the entire first year of this new Government. Those results show that there were just 88,500 house building starts in the last year of his Government, and that the number had risen to 103,500 in the first year of this Government. That is a rise of 17%.

Unauthorised Development

17. **Caroline Nokes** (Romsey and Southampton North) (Con): What plans he has to increase the powers of local authorities in dealing with unauthorised development. [69937]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): Local authorities already have strong powers to act against unauthorised development which apply to everyone who ignores planning controls. In the Localism Bill, we have taken action to restrict retrospective planning applications, to ensure that people do not get away with flouting the system.

Caroline Nokes: I thank the Secretary of State for that answer. What assurances can he give me that those rules will apply equally to all residents, and that the Travelling community will not be exempt from rules that apply to the rest of the population?

Mr Pickles: It is right and proper that we should respect the lifestyle choices of the Travelling community, but that does not give them particular rights over other citizens, particularly among the settled community. This Government will introduce special rules to ensure that authorities that provide pitches for Travellers receive a top-up against the new homes bonus, but the planning rules must be blind to a person's ethnic background.

Housing Supply

18. **Alec Shelbrooke** (Elmet and Rothwell) (Con): Whether he plans to set the strategic housing land availability assessments of potential housing provided by unimplemented planning permissions against the five-year supply requirement. [69938]

The Minister of State, Department for Communities and Local Government (Greg Clark): I can confirm that, yes, councils will be able to use unimplemented consents in their five-year supply.

Alec Shelbrooke: I am grateful for that reply, but I urge the Minister to work closely with councils on publishing more guidance and setting out how to build a strong evidence base in order to include windfall sites, so that Leeds city council can stand up in the planning courts and use the 2.3 years of windfall supply as part of the current five-year supply, because at the moment, it is losing on every appeal.

Greg Clark: I understand my hon. Friend's concern. As he knows, I visited Leeds in recent days, and I believe he was returning from his honeymoon, on which all Members will, I am sure, wish to congratulate him. I understand the situation he outlines: having the ability to use these unimplemented consents will be a start, and I would be happy to meet him, now that he is back in such fine form, to continue the discussion.

Topical Questions

T1. [69944] **Chris Skidmore** (Kingswood) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Communities and Local Government (Mr Eric Pickles): I have today laid a written statement outlining the work of my Department over the recess. We have been promoting economic growth, promoting local shops and firms, and giving new incentives for councils to create jobs and businesses. We have increased freedoms to local councils, cut Whitehall red tape and boosted transparency in government. We have taken the lead in helping local communities get back to business after the August riots. I would like to pay tribute to local councils that provided leadership to their communities during that period, to the firefighters who bravely tackled arson in the face of violence and, above all, to local residents who literally picked up their brooms to clean up and reclaim the streets after the mess.

Chris Skidmore: Can the Secretary of State guarantee that, unlike the previous Government's disastrous regional spatial strategy under which 10,000 houses were planned to be built on the Kingswood green belt, the national planning policy framework will retain all current green belt protections?

Mr Pickles: There was a time when I was a frequent visitor to my hon. Friend's constituency, so I know the strength of local feeling about the green belt. Let me give him a clear and unequivocal assurance that the green belt will be protected under this coalition Government, unlike under the previous Labour Government, who promised to build on it.

T10. [69953] **Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op): The Aspes road-Leyfield lane footpath in my constituency is little used by local people, yet it has become a focus for crime and antisocial behaviour. Will the Secretary of State look at the rules and bureaucracy that make it very difficult for local communities to secure the closure of such footpaths?

Mr Pickles: I would be happy to meet the hon. Gentleman to discuss the specific problem he mentions; perhaps we will be able to do something to sort it out. I am grateful to him for raising the issue.

T2. [69945] **Andrew Stephenson** (Pendle) (Con): At a time when the whole country is working hard to help pay down the last Government's deficit and public sector workers are experiencing a two-year pay freeze, it appears that some council chief executives are still finding elaborate ways to hike their pay. Will my right hon. Friend join me in urging overpaid council chief executives to do the right thing and take a pay cut?

Mr Pickles: I certainly hope that chief executives will do the right thing. Above all, this issue is not just about money, but a question of leadership. It is about looking other council workers in the eye, particularly those who might face voluntary redundancy or early retirement. That is why chief executives should make some kind of sacrifice. Frankly, it is no good making a big song and dance about taking a cut and then bumping up expenses in private.

Malcolm Wicks (Croydon North) (Lab): I welcome the Secretary of State's decision, in the aftermath of the riots, to give the extra £20 million to Tottenham and Croydon. Does he agree that this should be focused on the businesses that have been burnt out and devastated and the citizens who were the major victims of the devastation? Will he be clear that he never intended £8.5 million of that riot money to be given to a very rich premiership football club, namely Tottenham Hotspur?

Mr Pickles: I shall be visiting Croydon very soon to discuss the possibilities. However, it is important to understand that the extra money made available was intended not to deal with riot damage or to get businesses up and running again, but to deal with some of Croydon's long-term structural problems. I noted carefully what the right hon. Gentleman said about the football club, and will be happy to discuss with him elsewhere what should be done next.

T3. [69946] **Alok Sharma** (Reading West) (Con): A recent independent report on the use of section 106 moneys by Labour-run Reading borough council concluded, among other things, that it was

"difficult to categorically state that officers or members in position of power have not abused their position".

What advice can the Minister offer concerned council tax payers who want to see the full and exhaustive investigation that Labour in Reading is refusing to initiate?

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I am grateful to my hon. Friend for raising that important point. As I am sure he will appreciate, I must be careful not to say too much about the individual case because I understand that a reference may be made to the district auditor, but I can say more generally that both the report and his question highlight the problem that has arisen as a result of the opacity and lack of transparency of section 106 agreements. The Government inherited that problem, but we are committed to reforming section 106 agreements, and have made proposals to do so.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does the ministerial team agree that one way of making local government more efficient would be to make the people who work in it feel valued, and feel that they do a good job for their communities? Is it not about time that Ministers spoke up with one voice about what a good job those people do throughout our communities?

Mr Pickles: I entirely agree, and I think that if there was ever an example of that, it could be seen in the aftermath of the riots. I spoke to just about every council leader affected, and was immensely impressed by their determination to ensure that their communities recovered very quickly. I cannot praise their efforts highly enough.

T4. [69947] **Jason McCartney** (Colne Valley) (Con): Many of my constituents are totally perplexed about why Labour-run Kirklees council is trying to steamroller through big housing developments in parts of the countryside such as Lindley Moor and the northern gateway area while there are hundreds of empty homes throughout the district. Does the Minister agree that the number of empty homes in Kirklees should be a material consideration in the council's local plan?

The Minister of State, Department for Communities and Local Government (Greg Clark): Yes, I do agree, and it will be entirely possible for the empty homes in my hon. Friend's authority to be considered as part of the contribution to the total.

Steve McCabe (Birmingham, Selly Oak) (Lab): I am not sure that the Minister entirely succeeded in convincing the House earlier with his answer to the question about the definition of the phrase

"a presumption in favour of sustainable development".

Given that the interpretation of that phrase will be central to the Government's ambition to improve the planning process, will the Secretary of State consider providing a clearer definition and placing it in the Library of the House?

Greg Clark: As I said before, we have adopted exactly the same definition that applied under the last Government. I have made it clear that if there are discussions to be held on ensuring that everyone understands precisely what is meant, I shall be very open to that, but what is crucial is that we reform planning policy in order to unlock jobs and create homes for the next generation of young people.

T5. [69948] **David Morris** (Morecambe and Lunesdale) (Con): Under the coalition Government, house building statistics in England are 22% higher than those during the comparative period under the last Government. Does my right hon. Friend agree that we must never again see circumstances in which council tax bills double yet results are so poor?

The Minister for Housing and Local Government (Grant Shapps): My hon. Friend is absolutely right. It is important to allow communities to grow and allow local people to have a stake in that growth, which is why we will ensure—both through the new homes bonus and through reformed business rates—that an ambitious local authority can improve the lot of people who live in their area, who, for the first time, will have a stake in the future.

Toby Perkins (Chesterfield) (Lab): In response to the question from the shadow Secretary of State, my right hon. Friend the Member for Don Valley (Caroline Flint), the Minister of State, Department for Communities and Local Government, the right hon. Member for Tunbridge Wells (Greg Clark) said that we were facing a crisis of growth. What does it say about the policies of the present Government that after the abolition of the regional development agencies and six months after the budget for growth, a Minister has come to the House and admitted that there is a crisis of growth?

Greg Clark: The crisis of growth that I was referring to was that bequeathed to us by the previous Labour Government. We noticed that the right hon. Member for Don Valley (Caroline Flint) has decided not to say what she thinks of the reforms that we are enacting. She has spent six weeks failing to give a view on that. A few weeks ago, the leader of her party said that

"the promise of a better life for the next generation is under threat...How are they going to buy their first home?"

Does she support our simplified planning system or not? She did not answer.

T6. [69949] **Dr Julian Huppert** (Cambridge) (LD): Does the Minister agree that we need to keep our high streets healthy and diverse and support independent shops? Will he therefore support the Cambridge amendment 153AKC, tabled by Lord Greaves, to the Localism Bill, which gives local people the power to support their high streets in that way?

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): The health of the high street is a fundamental characteristic of a healthy community and we are strongly promoting that through the national policy planning framework—or the other way around even. We will look hard at the proposals that come from our noble Friends in the Lords and give careful consideration to them.

Andrew Gwynne (Denton and Reddish) (Lab): It is clear from an earlier answer that the Minister sees the current planning framework as a burden. Is he so blinkered to the concern that his changes could signal the return to the 1980s planning free-for-all, undermining the established sequential test—brownfield, open space—and town centre policies along the way?

Greg Clark: I am happy to reassure the hon. Gentleman that that is not the case. If he takes the specific example of brownfield sites, he will find that paragraph 165 of the framework sets out clearly that land of the least environmental value should be brought forward first. That is another way of saying brownfield land first.

T7. [69950] **Henry Smith** (Crawley) (Con): I welcome the proposed localisation of the council tax benefits system. Can my hon. Friend say whether the funding of the administration of that system will also be localised, or remain central Government grant?

Robert Neill: As my hon. Friend knows, we are consulting on a raft of matters in relation to local government finance. We propose shortly to issue some technical papers. When he has perhaps read those, I will be happy to meet him to discuss the issue.

Mr Andrew Love (Edmonton) (Lab/Co-op): To address housing need, we need to build more than 200,000 properties, but according to the statistics that are coming out, it is unlikely that we will complete half that number in the coming year. The Government have already massively cut support for affordable housing and made a complete botch of the planning system. What will they do to address the coming housing crisis?

Grant Shapps: The hon. Gentleman has rightly defined the problem of the legacy that this Government inherited, with the lowest house building since the '20s, but I am pleased to be able to report that, compared with the comparative period when Labour was in power, since the election, housing building starts are up 22%. I hope he will join me in welcoming those statistics.

T8. [69951] **Andrew Selous** (South West Bedfordshire) (Con): If the Prime Minister were to give the Secretary of State an additional role, I doubt he would ask for more money to do it, so does he agree that council chief

executives who double as returning officers and already earn more than he does should not receive an additional fee for overseeing elections?

Mr Pickles: This is something very close to all our hearts in this Chamber. That, of course, is a matter for the Secretary of State for Justice, but to me this seems common sense. I have not come across many chief executives who do the count and organise the postal votes; that is often done by the deputy returning officer. I know that a number of returning officers ensure that the extra money is shared among staff. I think that that is the right course, but if chief executives are pocketing that money, they should feel ashamed.

Clive Efford (Eltham) (Lab): Local authority-run closed circuit television played a vital role in investigating many of the riots in our high streets only a month ago, yet the Protection of Freedoms Bill will make it more difficult and bureaucratic for local authorities to install CCTV. Will the Secretary of State take the opportunity to reflect on that, and consult local authorities and police before we go ahead with the measures in the Bill?

Mr Pickles: Of course we will reflect on those matters, but it is important that these important intrusions into people's private lives are regulated, and the Bill intends to regulate them, but if the hon. Gentleman has a specific point, we will be happy to look into it.

Mr Speaker: James Gray. Not here.

James Morris (Halesowen and Rowley Regis) (Con): The West Midlands fire service is proposing to merge two fire stations in my constituency, which will significantly reduce the level of fire cover, reducing the number of fire engines from two to one. Will the Minister responsible commit to meet me and the chief of the West Midlands fire service to review those proposals and to ensure that the same level of fire cover is retained in my constituency?

Robert Neill: Of course I am happy to discuss the matter with my hon. Friend, but I must point out that these are local decisions for the fire authority, which must at all times act in accordance with its integrated risk management plan and its statutory obligations under fire services legislation.

Mr Chuka Umunna (Streatham) (Lab): What is the Secretary of State doing in conjunction with other Departments to promote awareness among uninsured local businesses affected by last month's riots that under the Riot (Damages) Act 1886 the deadline for making compensation claims will fall imminently—this week, I think?

Mr Pickles: As the hon. Gentleman will know, we extended the normal period within which claims can be made. We have put out a simplified form—or, rather, we have worked with local authorities to put out a simplified form. It is available on our website. I am not aware that there are many businesses that have suffered an uninsured loss that have not come forward, but we do intend to use this money to get those businesses back into business, so that the community can continue to thrive.

Greg Hands (Chelsea and Fulham) (Con): May I congratulate the whole ministerial team on being bold on planning reform? Whatever the rights and wrongs of individual planning decisions, it cannot be right that the planning process itself costs 10 times more in central London than in central Paris or central Brussels. I therefore urge the Secretary of State to ensure that we pare down the costs of the planning process so that we can contribute to the country's economic growth.

Greg Clark: My hon. Friend is absolutely right. Reform of the planning process is a crucial part of "The Plan for Growth". We have inherited a situation from the previous Government whereby the centralisation of the economy has led to depressed levels of growth. We are turning that around through fundamental reforms, and I welcome my hon. Friend's support.

Lilian Greenwood (Nottingham South) (Lab): Last year, Nottingham city council, which serves some of the most deprived communities in the country, was subjected to the biggest cuts in funding, while rural shire counties were protected. Will the Secretary of State look again at this year's settlement and get a fairer deal for my constituents?

Mr Pickles: We had to put in place protection for Nottingham because the Labour party withdrew the working neighbourhoods fund; we had to protect Nottingham from Labour cuts. My advice to Nottingham is that if it wants to get favourable treatment from the Government, it should publish its expenditure online: publish and be damned!

Libya

3.32 pm

The Prime Minister (Mr David Cameron): With permission, Mr Speaker, I should like to make a statement on Libya.

When we met here on that Friday in March, Gaddafi's tanks bore down on Benghazi, his air force had already begun strikes against his people, and his army had smashed through Zawiyah, with a grave loss of life. Gaddafi had vowed to hunt down his own people like rats, using the full might of his armed forces, backed up by mercenaries. I did not think Britain should stand by as Gaddafi slaughtered his people. Nor could we allow a failed pariah state festering on Europe's southern border, with the potential to threaten our own security.

The Libyan opposition and the Arab League both called for NATO to protect the civilian population, so, together with the US and France, we secured agreement for UN Security Council resolutions 1970 and 1973 and, with this clear legal mandate, this House voted by a majority of 544 in favour of military action. Today, the Libyan people have taken their country back.

I am grateful for the support that all parts of this House have given over the last six months, and I am sure the whole House will join me in paying tribute to the incredible dedication and professionalism of our pilots, sailors, ground crew and everyone in our armed forces who has been involved in this mission.

But we should also pay a full tribute to the bravery and resilience of the Libyan people themselves. This has been their revolution and none of it could have happened without them. Ordinary Libyans from all walks of life came together and rose up against Gaddafi. From the villages of the Nafusa mountains to the tower blocks of Misrata, the alleyways of Zawiyah and the streets of Benghazi, the Libyan people fought with incredible courage. Many paid with their lives. Others have been seriously injured, and the struggle is not over. They still face forces loyal to a dictator who last week threatened to turn Libya "into a hell".

The long work of building a new Libya is just beginning, but what is clear is that the future of Libya belongs to its people. The task of the international community now is to support them as they build that future. That means helping to finish the job, ensuring security, addressing the immediate humanitarian needs and supporting the longer-term process of reconstruction and political transition to democracy. Let me address each in turn.

First, on finishing the job, Britain has been at the forefront of the military operation to protect the Libyan people. Our aircraft have made over 2,400 sorties across Libya, carrying out one fifth of all NATO airstrikes, against some 900 targets in Gaddafi's war machine. Our warships have supported this effort, helping to enforce the UN arms embargo and bringing aid to those in need. At its peak, some 2,300 British servicemen and women were deployed on Operation Ellamy, with 36 aircraft including 16 Tornados, six Typhoons, five attack helicopters, tankers and specialist surveillance aircraft and helicopters. These were supported over the course of the operation by eight warships and a hunter-killer submarine.

But the job is not over. As we stand, the free Libya forces have liberated Tripoli and control Libya's key population centres, but pro-Gaddafi forces still pose a threat and, in particular, control the towns of Bani Walid, Sirte, and Sabha in the south of the country. The national transitional council has been working to negotiate a peaceful outcome, but its leaders have explicitly requested that NATO continue its operations to protect civilians until that is achieved. Over the weekend, RAF Tornados struck eight military command and control installations south-west of Waddan and nine weapons and ammunition stores near Sirte.

For as long as Gaddafi remains at large, the safety and the security of the Libyan people remain under threat. So let me be clear: we will not let up until the job is done. First, Britain and its NATO allies will continue to implement UN Security Council resolutions 1970 and 1973 for as long as we are needed to protect civilian life. Those thinking that NATO will somehow pull out or pull back must think again. We are ready to extend the NATO mandate for as long as is necessary.

Secondly, we will support the Libyan people in bringing Gaddafi to justice. This is a man whose crimes are becoming ever more apparent every day and who is wanted by the International Criminal Court. There must be no bolthole; no pampered hiding place from justice. He must face the consequences of his actions, under international and Libyan law.

Turning to security, the early signs have been encouraging. There has been some disorder, but it has been focused on symbols of the former regime. The national transitional council is moving to stand down fighters from outside Tripoli. The police are returning to the streets, and the council leaders have been clear and consistent in cautioning against disorder and, crucially, against reprisals. Britain and its international partners are helping, too, working closely with the national transitional council in securing chemical weapons sites and supporting mine clearance in Misrata, Benghazi and other affected areas.

On the humanitarian situation, Britain has played a leading role from the outset. The priorities today are health, water, food and fuel. On health, our humanitarian partners report that hospitals and clinics in Tripoli are now functioning well, and staff are returning to work. Britain is providing additional support through the International Committee of the Red Cross, including surgical teams and medicines to treat up to 5,000 war-wounded patients.

On water, substantial numbers of people in Tripoli are still without running water. However, UNICEF is procuring 11 million litres of bottled water, and the Libyan authorities are working to repair the water systems. The NTC reports that 100 wells are back online, representing 20% of capacity.

On fuel, there remain significant shortages but the situation is improving, and the World Food Programme shipment is supporting the national transitional council with the procurement of 250,000 litres of fuel.

Let me turn to reconstruction. Libya is a country of 6.5 million people. It is one of the richest in Africa. Its proven oil reserves are the ninth largest in the world. Libya is fully capable of paying for its own reconstruction. Of course there is a role for foreign advice, help and support, but I do not think we want to see an army of foreign consultants driving around in 4x4s, giving the impression that this is something being done to the Libyans, rather than something that is being done by them.

What the Libyans need above all is their frozen assets back. A week ago, Britain got Security Council agreement to release £1 billion-worth of dinars back to the Central Bank of Libya, and RAF planes have already flown in hundreds of millions of dinars of these banknotes. At the summit in Paris last Thursday, the international community committed to unfreezing $15 billion of Libyan assets, and for their part—vitally—we expect the new Libyan authorities to meet their pledge of ensuring transparent and accountable financial systems.

Next, on political transition, some people warned, as Gaddafi himself did, that the Libyan people could not be trusted with freedom—that without Gaddafi there would be chaos. What is emerging now, despite years of repression, and the trauma of recent months, is impressive and encouraging. In a far-reaching road map and constitutional declaration, the new authorities have set out a clear vision and a process for a new democratic Libya. This is not being imposed from above; it is being shaped by the Libyan people. At the Paris summit, chairman Abdul-Jalil spoke of his determination to build a society of tolerance and forgiveness, with respect for the rule of law. A national conference will bring together all the tribes—civil society; men and women, from east and west—united to shape this political transition. They are planning for a new constitution and elections within 20 months.

Britain is also in discussions in New York about a new UN Security Council resolution to reflect the new situation. The new Libyan authorities must now be able to represent their country at the United Nations, as they did last week at the Arab League. I also look forward to building our bilateral relationship with the new Libyan authority. We have close relations with the NTC through our mission in Benghazi, and today the UK's special representative is going to Tripoli to re-establish our full diplomatic presence in that city.

Our relationship with the new Libya must, of course, deal with a series of problems from the past. On Megrahi, this is obviously a matter for the Scottish Executive. I have made my position clear: I believe that he should never have been sent back to Libya in the first place. On WPC Yvonne Fletcher, I want to see justice for her family. There is an ongoing police investigation, and the House will wish to know that Prime Minister Jabril has assured me of the new Libyan authority's intention to co-operate fully.

Finally, significant accusations have been reported today that under the last Government relations between the British and Libyan security services became too close, particularly in 2003. It was because of accusations of potential complicity by the British security services in the mistreatment of detainees overseas, including rendition, that I took steps in July last year to try to sort this whole problem out. As the House will remember, we acted to bring to an end the large number of court cases being brought against the Government by former inmates of Guantanamo; we have issued new guidance to security and intelligence services personnel on how to deal with detainees held by other countries; and we have asked retired judge Sir Peter Gibson to examine issues around the detention and treatment of terrorist suspects overseas. This inquiry has already said that it will look at these latest accusations very carefully. My concern throughout has been not only to remove any stain on Britain's reputation, but to deal with these accusations of malpractice so as to enable our security services to get on with the vital work that they do. Because they cannot speak for themselves, let me put on the record, once again, our enormous gratitude for all they do to keep our country safe.

The achievement of the Libyan people gives hope to those across the wider region who want a job, a voice and a stake in how their country is run. On Syria, Britain will continue to lead the argument for a UN resolution to build on the EU's oil embargo, which is now in place. The message to President Assad must be clear: he has lost all legitimacy and can no longer claim to lead Syria, the violence must end and he should step aside for the good of his country.

It is the Libyan people who have liberated their country; there was no foreign occupying army. This has been a Libyan-led process, assisted by the international community. Many cynics proclaimed stalemate and asserted that Gaddafi would never be defeated—the Libyan people proved them wrong. It was a unique set of circumstances and not something that we can or would wish to repeat all over the world, but I have never accepted the argument that because you can't do everything, you shouldn't do anything. Removing Gaddafi from power was a major achievement. Although the work is not yet done, the Libyan people can be proud of what they have achieved and we can be proud of what we have done to help them. I commend this statement to the House.

Edward Miliband (Doncaster North) (Lab): May I start by thanking the Prime Minister for his statement? Let me join him in paying tribute to the courage of the Libyan people, because this was their uprising. They knew the price that might be paid if they rose up against the regime to claim a better future and yet they found the courage to do so and to win through. We on the Opposition Benches salute their bravery and sacrifice, but change in Libya would not have come about without action from the international community. Let me therefore commend the role played by the Prime Minister and the British Government in making it happen. The initiative of pressing for UN resolutions 1970 and 1973 made the action to protect civilians possible. It was a risk and it was the right thing to do. For our part, we supported it at the time, we have remained steadfast in our support and we support it now.

If we had not acted, we would have spent recent months not talking about the progress of our action in Libya but wringing our hands over slaughter in Benghazi, as we did after Bosnia. This time, however, the international community did not stand by—it acted through and with the authority of the United Nations. Once again, as the Prime Minister said, it was to our brave British servicemen and women that we turned and as always, they have risen to the challenge. They represent the best of our country and again we owe them a debt of gratitude.

I want to ask a number of questions about the security situation, economic stabilisation, the political settlement now required and some of the wider lessons, but let me first say that I agree with the Prime Minister that the Gibson inquiry must get to the bottom of the allegations we have seen about the involvement of the security services in relation to Libya. No part of the British state should ever be complicit in torture.

[Edward Miliband]

Let me turn first to the security situation. The Prime Minister is right to say that there should be no artificial deadlines for the end of NATO action. We are in Libya to enforce a Security Council resolution and we should be engaged in action for no more and no less than the time it takes to ensure that the UN mandate for the protection of civilians is fulfilled. Given the symbolic and substantive importance of the national transitional council's taking up its place in government in Tripoli, will the Prime Minister give us a sense from the Paris conference about when we might expect that to happen, as that will speak to the security situation in Tripoli?

We know from past conflicts that security matters but that essential to a successful transition is economic and social reconstruction, and we all agree that that must be Libyan-owned. I welcome the extra assistance that the Government have announced to help provide medicine and food and to reunite families who have been affected by the fighting. The Prime Minister will agree that the role of the UN will be very important in co-ordinating that help, so will he say what discussions he has had with UN special envoy al-Khatib and how prepared he believes the UN is to provide the necessary help to the Libyan people? Will he also share with the House his thoughts on how the new UN resolution he talked about, which will provide recognition for a new Government, will also provide a mandate for a longer-term UN mission to support the Libyan Government?

The Prime Minister is right that the oil wealth of Libya offers huge potential for its people. Given that the legitimacy of the popular uprising was based around the fact that the Libyans themselves were clearly in the lead, that also needs to be true of the oil resources. Does he agree that we should learn the lessons of the period following past conflicts and ensure that the role of private companies working in Libya is to operate transparently and in a way that clearly benefits the Libyan people?

On the politics, I join the Prime Minister in welcoming the NTC's commitment to establishing a new constitution and holding elections within 18 months. On the former members of the regime, we agree that we should provide full support to the Libyan people and their new Government in bringing Colonel Gaddafi and the leadership to justice either through the ICC or the Libyan courts, but we have also learned from past conflicts the need for a broad based and inclusive political process of reconciliation —indeed, the Prime Minister talked about that in his statement—as well as for the vital work of maintaining Government services. Will the Prime Minister share with the House his understanding of how the NTC will continue to use officials from the lower level of government to keep basic services running?

We also know that democracy takes root not just through the formal process of the ballot box but through a strong, vibrant civil society. Will the Prime Minister tell us what specific plans there are for direct relationships between Libya and organisations such as the BBC World Service, the Westminster Foundation for Democracy and the British Council, which can play an important role in helping to build up civil society?

Let me finally ask about the lessons of this conflict for Britain and for the international community. The Arab spring was clearly not envisaged at the time of the strategic defence and security review and has meant a call on some resources that were due to become obsolete. May I ask the Prime Minister whether he sees the case that I see for there to be gain in formally looking afresh at the SDSR in the light of events in Libya and the Arab spring?

For the international community as a whole, the lesson is of the effectiveness it can have when it comes together through the UN and speaks with one voice. No two situations are the same, as the Prime Minister has said. Of course, the situation in Syria is different for a number of reasons, not least practical issues, in relation to the idea of military intervention and, indeed, the lack of support for it. We support the use of all non-military means at our disposal in relation to Syria. I have heard the Prime Minister's remarks about President Assad and I share his view. He talked about the need for a new UN resolution, but will he tell us how he assesses the chances of getting that resolution and what further steps he believes can be taken against the Assad regime in the absence of a resolution?

Let me end on this thought: the Arab spring has seen the overthrow of authoritarian regimes in Tunisia, Egypt and Libya. It is right that Britain has been on the side of those who are fighting to enjoy the basic social, economic and political rights that we take for granted. Let me end by agreeing with the Prime Minister that we should take pride in the role we have played in protecting the Libyan people as they claim a better future. We should now help them as they enter the next phase—moving from popular revolt to stable, democratic government.

The Prime Minister: First, may I thank the right hon. Gentleman for his kind remarks in response to my statement? He is right to pose the alternative and ask what would have happened had we stood back and done nothing—what would we have been discussing today? Of course, he is also right to praise our brave service personnel. I note what he said about backing the Gibson inquiry and the important work that it needs to do in looking at all the accusations of complicity.

On the three issues of security, stabilisation and politics let me try to answer the right hon. Gentleman's questions. First, on security, he is right that there should be no artificial deadline for NATO. We must continue until the job is done. On the NTC's move from Benghazi to Tripoli, that is already under way. Parts of the NTC have moved and it is very important that it should move as a whole. We should not try to second-guess everything it does. I have been very struck through this process by the fact that the NTC often gets criticised. Calls are made for it to do this and that, and in the end it always seems to rise to the challenge. I think it has been effective and we should not underestimate the people working in it.

On stabilisation, the right hon. Gentleman mentioned the UN's role. It is important to differentiate between the role of Mr al-Khatib, who was trying to look at ways of finding a peace process before this conflict resulted in the fall of Tripoli, and the role of Ian Martin, who is specifically drawing up the plans for a UN mission to Libya. I think those plans are well under way and it is very important that we focus on the things that the Libyans want rather than on the things we think they might want. It was quite interesting, in Paris, to hear the specific things they cared about most. Clearly,

one role that the UN can play is to make sure that the elections, when they come, are properly observed and are free and fair. The point that the right hon. Gentleman makes about private companies is a good one and we should learn all the lessons from past conflicts as he says.

In terms of the process of reconciliation and maintaining Government services, one thing that the NTC has been trying to do—again, quite effectively, I think; we have been advising and helping where we can—is make sure that there is no de-Ba'athification process and that relatively junior officials in departments are encouraged to go back to work. These are very early days and there are going to be huge problems at the end of a conflict like this, but the signs are that things such as rubbish collection, hospital services and getting the police back on the streets seem to be working.

The right hon. Gentleman asked about longer-term relationships with the British Council and others. Clearly, once the security situation is in a better state, those relationships can be built from a very strong basis.

On the strategic defence review, I would argue, having followed this very closely through the National Security Council on Libya, which met sometimes daily through this conflict, that the case for what we are doing in the review has been proved. It has been proved that it was the right decision to keep the Tornado aircraft with the Storm Shadow capability, which performed magnificently over the skies of Libya. Typhoon has in many ways come of age. One of the things that became clear in the conflict was the need for greater ISTAR—greater eyes in the sky, greater technical capabilities—and that is provided for in the strategic defence review. Of course, after any such conflict and an intense period of military, Government and humanitarian activity, it is right to learn the lessons. Sir Peter Ricketts, my national security adviser, will be leading a lessons-learned exercise on how the Whitehall machine operated and what lessons we can learn. That should include the operation of the oil cell, which I think did a very good job of trying to help deny oil to the regime and to make sure that the rebels, who were not getting oil products, got them.

The right hon. Gentleman mentioned the UN resolution on Syria. We will continue to work for a strong resolution. It has obviously been difficult to get agreement to date. The EU oil embargo is an important step forward and has a real effect. Above all, I want to thank the right hon. Gentleman for what he said. I agree with him that we can take pride in what British forces and British officials have done on this occasion.

Several hon. Members *rose—*

Mr Speaker: Order. Understandably, there is wide interest in the Prime Minister's statement. If I am to accommodate that interest, I require brevity. In pursuit of a helping hand, I look to an old hand—Mr Nicholas Soames.

Nicholas Soames (Mid Sussex) (Con): I join in the praise from the Prime Minister for the magnificent performance of the British armed forces and for the courage and resolution of the Libyan people. Does my right hon. Friend agree that matters are inevitably about to become a little messy in Libya in the months ahead, and that it will be important for Britain to continue to offer what help it can in a spirit of general co-operation and humility?

The Prime Minister: That is absolutely right. It is very important that when people are looking at the humanitarian plan, the reconstruction plan and the plan for political progress in Libya, we recognise that this is something that the Libyans are doing themselves. We are there to help and to assist, but it is their plan, not our plan. Humility on this occasion is right.

Mr Jack Straw (Blackburn) (Lab): I endorse the remarks of my right hon. Friend the Member for Doncaster North (Edward Miliband) in praising the leadership that the Prime Minister, the Foreign Secretary and other Ministers have shown during the whole of this period. There is no doubt that that was decisive in securing international co-operation and in following it through.

On the allegations that have been made overnight, as Foreign Secretary at the time, may I say two things? First, as the Prime Minister knows, it was the consistent policy of the previous Government, as it is of his, to be wholly opposed to any complicity in torture, ill treatment or unlawful rendition. Secondly, given the serious nature of the allegations, it is entirely right that they should be examined in every detail by the inquiry under Sir Peter Gibson.

The Prime Minister: I thank the right hon. Gentleman for what he says about me, the Foreign Secretary and others. On the issue that he raises, it is right that Sir Peter Gibson can look at the whole area. It is important that nobody rushes to judgment. We have to remember that in 2003, two years after 9/11, there was a Libyan terrorist group that was allied to al-Qaeda. At all times our security services and intelligence services are trying to work for the good of the country to keep us safe, so it is important to remember the circumstances at the time. Nobody should rush to judgment, but it is the right hon. Gentleman's view, my view and the view of the entire House that Britain should never be complicit in torture or in extraordinary rendition, and it is very important that we make sure that that is the case.

Sir Menzies Campbell (North East Fife) (LD): My right hon. Friend has been circumspect in his references to the documents which have recently emerged, and with good reason, but does he agree that there is one lesson that can be learned at this stage—that particularly when dealing with unsavoury regimes in the shadowy world of intelligence, it is necessary to maintain both fastidiousness and distance so as to avoid accusations of impropriety or illegality?

The Prime Minister: My right hon. and learned Friend is entirely right. As I put it in my statement, the accusation is that after Libya came in from the cold and gave up the weapons of mass destruction, the relationship almost became too close at times. There was a degree of credulity. I think that is the accusation. It is important to put on record our thanks to the security services for what they do. What I have tried to do and what the Government have tried to do is put in place a new set of arrangements—proper guidance to intelligence and security services personnel to clear out these Guantanamo Bay cases that were going to drag through our courts and bring

[The Prime Minister]

our security services and our country down, to deal with them properly, and then to have an inquiry, so that we get to the bottom of what happened and if there was any malpractice, we deal with it. It is important that we clear up the issue once and for all, and I believe the steps that we have taken will do that.

Chris Bryant (Rhondda) (Lab): I, too, commend the Prime Minister on the role that he has played this year, but I urge him to use the same dedication when it comes to Syria, because many of us—all of us, I suspect—are scandalised by what we have seen throughout these summer months. He is visiting Moscow, as I understand it, next week. I hope that he will make it absolutely clear to the Russian Government—both sides of the Government; the President and the Prime Minister—that thus far their protection of the Syrian Government has been wholly abhorrent to those of us who hate the human rights abuses in such countries.

The Prime Minister: I certainly join the hon. Gentleman in loathing the human rights abuses that are taking place in Syria. What we have seen happening is simply appalling—the loss of life, the damage and terror that the President has been inflicting on his own people.

On Russia, one of the encouraging things is that the Russians came to the Paris conference, were one of the 63 countries represented there and supported the statement that came out of it about NATO continuing its work and making sure that we complete the job in Libya—*[Interruption.]* The hon. Gentleman is right then to say from a sedentary position, "What about Syria?" I think that the whole international community can learn the lesson of some success in Libya and apply that elsewhere in terms of the unity that we need to see in the UN Security Council to put pressure on Syria.

Richard Ottaway (Croydon South) (Con): As someone who had reservations about the principle of intervention, may I congratulate the Prime Minister on a successful outcome in Libya? It was largely achieved by two aspects: first, it was legal; and secondly, it had the support of the Libyan people. Further to the previous question, however, will my right hon. Friend now use it as an illustration to persuade permanent members of the Security Council, such as Russia and China, that a well conducted intervention can be successfully used to restrain autocrats in countries such as Syria?

The Prime Minister: I am grateful to my hon. Friend for what he says. Everyone should have misgivings about such operations, and one should never have the naive belief that they are easy or that everything is going to go to plan. That very rarely happens, and we should always be hard-headed and careful about such things. We should also respect the fact that this is not done—this is not completed yet.

Also, I think that we should be very cautious about trying to draw up a new doctrine, because it seems to me that as soon as a new doctrine is established, a case comes up that flies completely in its face, but I do hope that other members of the Security Council will see that there has been success in removing a dictator, and in giving that country a chance of peaceful and democratic progress, which will be good for the world.

Jeremy Corbyn (Islington North) (Lab): Will the inquiry conducted by Sir Peter Gibson be held entirely in public? Will it have access to all the documents that have been discovered in Libya which, apparently, are now under the control of the national transitional council? Will it look at the question of British military involvement with Libya up until March and what lessons can be learned from that?

The Prime Minister: I am grateful for the hon. Gentleman's question. On Sir Peter Gibson's inquiry, some of it will be held in public and some of it by necessity—because of the very sensitive nature of what he will be looking at—will be held in private.

On the documentation, Sir Peter will have access to all the paperwork he wants to see. Clearly, what has come out of Libya in recent days is relevant to him, and I think he has already announced that he is looking forward to seeing that information.

On Britain's relationship with Libya, as I have said, it is entirely understandable that it was the previous Government's wish to have with Libya a new relationship after getting rid of weapons of mass destruction. In some instances, it was too credulous—I have mentioned particularly Megrahi—and, obviously, we need to think carefully about our security, our military involvement and our sales to all regimes. That is why at the start of the Arab spring we reviewed our practices, and we should keep them under review.

Patrick Mercer (Newark) (Con): How concerned is the Prime Minister about reports of Islamist influence in the new Libyan Government?

The Prime Minister: One should treat all these reports with concern, and we should obviously always look carefully at who we are dealing with, but one of the long-term answers to Islamic extremism is the successful development of democracy in the Arab world.

This is a three-part play: part one is getting rid of bin Laden; part two is greater democracy throughout the middle east; and part three is a solution to the Arab-Israeli conflict. To think that supporting such dictators helped us to deal with Islamic extremism is to be profoundly wrong. We find that many of the Islamic extremists whom we are fighting or dealing with in Pakistan or, even, in Afghanistan come out of countries such as Libya and Syria, and we should ask Why.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Large numbers of Libyans have fled their country in the past few months. What discussions have there been with countries such as Italy and Malta to enable them to return?

The Prime Minister: The Italians and Maltese are extremely keen that people should return and there is now every reason that they can. I have been impressed by the members of the Libyan diaspora in London who have been in and out of Libya even while the conflict has been going on. The pressure can be great, particularly on small countries such as Malta. As the hon. Lady knows, we have a relationship with Malta through which we will use our embassies elsewhere in the world to help it with this issue.

Dr Julian Lewis (New Forest East) (Con): As well as the Gibson inquiry, does the Prime Minister see a role for the Intelligence and Security Committee in investigating the allegation, which if true would be shameful and shocking, that Britain had a part in handing suspects over to the Gaddafi regime, even in the context of 2003?

The Prime Minister: It is absolutely a matter for the Intelligence and Security Committee what it examines, but I am sure that my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind) will want to look closely at those allegations. As I say, I do not think that any of us should rush to judgment. We have to remember the situation that the world and this country were in post 9/11, when there was a real concern about people who wanted to damage our country. The Libyan Islamic Fighting Group was allied with al-Qaeda. It is not any more and has separated itself from that organisation. Let us allow the inquiries to take their course and not rush to judgment.

Mr Nigel Dodds (Belfast North) (DUP): May I join in the tributes to the courage of our servicemen and women in their action over Libya, to the Libyan people, and to the political leadership of the Prime Minister and his colleagues during this time? The Prime Minister rightly talked about the issue of legacy, and he referred to Megrahi and WPC Yvonne Fletcher. He said that Libya must deal with the series of problems from the past. Among those will be the issue of compensation and justice for the many hundreds of victims of Libyan-sponsored IRA terrorism. Can I seek an assurance from the Prime Minister that he continues to back the case for justice, and that he will do what he can to secure compensation from the new regime?

The Prime Minister: I certainly will do that and it is a vital issue. There is no doubt that the Libyan provision of Semtex to the IRA was immensely damaging over many years, and it possibly still is today. We need to be clear that this will be an important bilateral issue between Britain and the new Libyan authorities. Clearly we have to let this Government get their feet under the desk, but this is very high up my list of items.

Mr Peter Lilley (Hitchin and Harpenden) (Con): After the liberation of Kuwait, in which Britain also played a significant part, the financial costs of our contribution were fully reimbursed, largely by Kuwait itself. Does my right hon. Friend intend to seek a similar contribution from the Libyan authorities once oil begins to flow?

The Prime Minister: That is not a consideration that we have gone into so far. Clearly there have been costs to the UK from this operation, which are in the region of £120 million, excluding munitions. Obviously, that has been funded from outside the defence budget through the reserve, so it will not impact on other defence spending. My right hon. Friend makes an important point that we can bear in mind.

Tony Lloyd (Manchester Central) (Lab): The Prime Minister rightly said that we would urge that there be no de-Ba'athification process in Libya. However, the reality is that the institutions across Libya are corrupted and weak. In particular, the courts, which are central to a functioning modern democratic society, have Gaddafi's placemen in position. Is Britain, perhaps with the European Union, prepared to put real effort into supporting the development of those civil structures?

The Prime Minister: We will certainly make available our advice on those issues if it is wanted. In Paris, Chairman Jalil and Prime Minister Jibril talked specifically about the importance of police training and of ensuring that their police are properly independent. It was encouraging to hear them say that. Of course, having a strong, independent justice system is part of any free and democratic society, so we stand by to help in any way that we can.

Jo Swinson (East Dunbartonshire) (LD): I welcome the progress of the Libyan people and the success of the United Nations' principle of the responsibility to protect. The catalyst of the uprising was the 15 February protest by the widows, mothers and sisters of the victims of the Abu Selim massacre. Women played a crucial role in the revolution and are a vital resource for the tough task ahead of rebuilding Libya, so what can our Government do to encourage the involvement of women at all levels of the decision-making processes in the NTC and the national conference, in line with not only United Nations Security Council resolution 1325 but the wishes of Libyan civil society organisations such as Women for Libya?

The Prime Minister: The hon. Lady makes an important point, and I think one of the best ways to do that is to work with the non-governmental organisations that have particular expertise in that area. I repeat that this is not the same as Iraq, where basically an intervention knocked over a Government, and there was then a de-Ba'athification process and we had to try to put back in place what had gone. Here, we are trying to work with the Libyans, who are putting things in place themselves. I absolutely agree that a much stronger society will emerge if there is a proper and appropriate role for women, which tragically there is not in so many societies. I think going through non-governmental organisations is probably the right answer.

Keith Vaz (Leicester East) (Lab): May I join others in commending the Prime Minister's role in these issues? He will know that there are 8,000 Libyan students studying in the United Kingdom at the moment, 2,000 of whom are state-sponsored. The funds for those students are being held by the British Arab Commercial Bank, which cannot release them without the approval of the NTC. Will he use his good offices to ensure that this matter is resolved so that the students can complete their studies and return to rebuild their country?

The Prime Minister: I thank the right hon. Gentleman for what he says and for his kind comments. My understanding is that the money is now being released, but if there are any problems, we will certainly try to help secure it. I think there will be a welter of problems in dealing with unfrozen assets of people who have got stuck in a different country and all the rest of it, and we will have to work through each of those problems in turn.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I commend my right hon. Friend for acting in a way that vindicates his policy of Britain acting as an effective global power? May I also commend him for not rushing to a new doctrine or going back to an old one such as liberal interventionism? Does the situation not demonstrate the importance of maintaining armed forces with global reach, so that we can influence global events and project our interests?

The Prime Minister: I am very grateful to my hon. Friend for his comments. What I would say about doctrine is that if you overdo your belief in a particular doctrine, you will find that the next problem that confronts you will fall completely outside it and you will have to spend a lot of time inventing a new doctrine to deal with it. I am a practical—*[Interruption.]* Members say that I am a Conservative, and that is right. I am a practical, liberal Conservative—that is what I believe, and I think this was a practical, liberal, Conservative intervention. [HON. MEMBERS: "A new doctrine."] It is a way of thinking.

On what my hon. Friend says about armed forces being able to project our reach and power, I absolutely agree with him, and we cannot maintain that reach and power by not having a defence review and by sticking with massed battle tanks in Europe. What we need to do is modernise our armed forces and make sure that we have the reach for the challenges of the future. I repeat what I said: far from disproving the strategic defence review, I think Libya proved the case for the sort of changes that we are making.

Mr David Winnick (Walsall North) (Lab): No one will be sorry to see the end of Gaddafi's criminal regime, which was deeply involved in international terrorism, but is there not some hypocrisy in all this? Is it not a fact that up to this year, Britain was selling the Gaddafi regime sniper rifles and crowd control equipment? Now we learn that there was a close collaboration between some western countries—not only Britain—and the Gaddafi regime, in which terror suspects were actually sent to Gaddafi's torture chamber.

The Prime Minister: Far be it from me to join the hon. Gentleman in attacking the last Government. To be fair, I think it was right to have a new relationship with Libya when we could persuade it to get rid of its weapons of mass destruction, discontinue its nuclear programme and try to take a different path. I have my criticisms of the last Government, as I think they were then too gullible and went too far in that direction. Specifically, when we had the O'Donnell report into Megrahi it found that the last Government were trying to facilitate his release, but I do not criticise the general intent of wanting a new relationship. What really changed was the treatment by Gaddafi of his own people. That was the moment for the world to act, and I am proud of the fact that the world did so.

Rory Stewart (Penrith and The Border) (Con): The most impressive aspect of this intervention is the Libyan pride in what Libyans see as a Libyan event. Will the Prime Minister reassure the House that he will do all he can to restrain the irresistible desire of the international community to micro-manage and over-intervene? We should remember that in this kind of intervention, less is more.

The Prime Minister: I know that my hon. Friend speaks with considerable knowledge, not least because rather against my will, he spent two days last week in Tripoli. He has seen for himself that the Libyans are managing the transition quite effectively, but what he says about trying to make sure that we understand our role as backing a Libyan plan rather than substituting our judgment for theirs is the right way ahead.

Caroline Lucas (Brighton, Pavilion) (Green): Has the Prime Minister reviewed Cabinet Office papers to ascertain whether Tony Blair personally authorised the co-operation with the Libyan intelligence services that led to Abu Munthir's detention and removal to Tripoli in 2003? Will he revise the terms of reference of the Gibson review, so that the nine human rights agencies that currently do not feel that they can co-operate with it, because it is not up to the standards of international human rights, can co-operate, so that the review will be open and transparent, and so that we can get to the bottom of those questions?

The Prime Minister: First, let me put the hon. Lady right on one thing: there is a rule that Ministers cannot, willy-nilly, see the papers provided to a previous Government, not least because Governments would probably spend their entire time doing that rather than governing the country, which is what they are supposed to do. That is why there is an inquiry, which is being carried out by an independent judge. We should allow Sir Peter Gibson to get to the bottom of what happened in that case, and indeed to the bottom of any decisions that Ministers of that time made, for which they will have to answer. I believe that that is the right approach, and it is the one that we will follow.

Jane Ellison (Battersea) (Con): I very much welcome the Prime Minister's statement. Many of our constituents have probably said over the last few months something along the lines of, "We don't want another Iraq," and the post-conflict stage is obviously on people's minds. Will the Prime Minister give a little more detail on how the lessons of immediately post-conflict Iraq are being applied in this situation?

The Prime Minister: My hon. Friend is absolutely right that a lot of people have said, "We don't want another Iraq," but we should also listen to those people who said, "We don't want another Bosnia." The prevention of a massacre was very important in these circumstances.

On the difference between Libya and Iraq, I would say this: because the Libya operation has not involved an occupying force or an invading army, the Libyan people rightly feel that they have done this largely by themselves. Yes, they have had NATO assistance, for which they are grateful, but just as they own the end of Gadaffi, so they are owning the transition to democracy and all the problems of disorder and crime that there will be in the interim. However, from what I can see, they are dealing with those problems well, and we should be with them, but helping rather than telling them what to do.

Andrew Miller (Ellesmere Port and Neston) (Lab): May I follow the point on migration raised by my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart)? One thing that became clear during the previous regime was that many of the people who have ended up in Lampedusa and Malta originated not in Libya, but from other countries, sponsored by an illegal criminal network in which Gadaffi no doubt had a role. That means that such places have huge numbers of cases that are difficult to manage. How will the Prime Minister manage that situation, and will he assure the House that he will open a dialogue with the NTC to ensure that those criminal routes are closed down straight away?

The Prime Minister: I certainly will do that. First, it is important to get this into perspective: we should bear it in mind that we still get more asylum claims from the countries of northern Europe than we get from the countries of southern Europe. Secondly, we have a relationship with Malta. Clearly, it cannot afford to have embassies all over the world, and we use our embassies in countries such as Niger, Mali and elsewhere to try to help the Maltese to return people to their country of origin. As the hon. Gentleman says, many people coming through Libya are not from Libya.

Mark Pritchard (The Wrekin) (Con): For the new constitution of Libya to be legitimate, and indeed sustainable, is it not the case that freedom of speech and religion should be included? In particular, should it not give protection to the Coptic Orthodox Church, the Roman Catholic Church, the Serbian Orthodox Church, the Russian Orthodox Church and the Greek Orthodox Church?

The Prime Minister: My hon. Friend makes a good point, and we have seen, particularly in Egypt, the importance of protecting Coptic Christians and others. I am heartened by what Chairman Jalil has said about respect for human rights and tolerance, and I am sure that he will want to follow those things through.

Mr Frank Roy (Motherwell and Wishaw) (Lab): Has an estimation been made of when British oil workers will be allowed to return to their vital jobs in Libya?

The Prime Minister: I do not have an estimation, but it is in Libya's interests that the production of oil gets back to normal as fast as possible. Some people say, though, that it could take up to three years to get back to full capacity. The encouraging thing is that a lot of the refineries and other oil installations, such as the ones in Ras Lanuf, Brega, Zawiyah and elsewhere, have not been badly damaged, so there is no reason this should not happen as rapidly as possible.

David Rutley (Macclesfield) (Con): Like other Members, I would like to congratulate the Prime Minister on the leadership he has shown in supporting the will of the Libyan people over the past few months. Will he tell the House what role is envisaged for the Arab League and other Arab nations in the post-conflict reconstruction in Libya in the months ahead?

The Prime Minister: I am grateful for my hon. Friend's comments. I think that there will be a big role for the Arab League. As I said in my statement—this is one area where we can learn the lessons of the past—I do not think that Libyans want huge numbers of people driving around in 4x4s telling them what to do. Arab assistance can play a huge role in helping Libyans to get back on their feet. However, they seem very keen to do a lot of this on their own.

Hugh Bayley (York Central) (Lab): The Prime Minister is absolutely right to stress that the political future of Libya needs to be determined by the Libyan people, not by outsiders. Can he cast any light on the statements coming from the African Union about its concerns that the transitional arrangements are not fully inclusive? What discussions is he or the Foreign Secretary having with key African leaders to ensure that any future UN resolution gets African buy-in?

The Prime Minister: I was very encouraged that at the Paris meeting there were a number of African leaders strongly supportive of the NTC and democratic transition in Libya. Frankly, the African Union has not always been as clear as I would have liked about the importance of democracy, freedom, human rights and progress in Libya. I hope now that all the countries of the African Union will get behind the new Libyan authorities and give them the support and help that they need.

Andrew Rosindell (Romford) (Con): I think that the whole House will be celebrating the end of the monstrous Gaddafi regime. Will the Prime Minister assure us that he will continue to put pressure on the new Libyan Government to ensure that the killers of PC Yvonne Fletcher are brought to justice?

The Prime Minister: Like my hon. Friend, I feel that this is an extremely important issue for the bilateral relationship between Britain and Libya. At the Paris conference, I spoke to Prime Minister Jibril about this issue and told him how important it was to people in our country. It was an appalling act and a reminder of what the Gaddafi regime was capable of. We should put it alongside the provision of Semtex to the IRA that took hundreds of lives and the appalling act of blowing up an airliner over the skies of Scotland. This regime was capable of appalling things and now there is a chance to find justice for these people. We should pursue that very strongly.

Geraint Davies (Swansea West) (Lab/Co-op): I welcome the Prime Minister's statement and the end—hopefully—of Gaddafi, but given that we are in the aftermath of what in many respects was a civil war, how comfortable is he with a 20-month time frame for the delivery of a new constitution and elections? What measures will be put in place to protect human and political rights, including on freedom of movement and international observers?

The Prime Minister: I believe that the timetable is realistic. The key issue is whether we have faith in the NTC. I have found, throughout my dealings with Prime Minister Jibril and Chairman Jalil, both of whom I have met on a number of occasions, that they want this to be a national process, representing the whole country and bringing the country together, that they want it to be transitional—this is a move towards democracy, not a takeover—and that they see Libya in the future not in an Islamist or tribal fashion, but as a democracy. Clearly,

[The Prime Minister]

it will have Islamic elements—it is a Muslim country—but that is the path that its people want to take and one that we can encourage them down.

Martin Horwood (Cheltenham) (LD): I strongly welcome the Prime Minister's statement, especially in relation to the Gibson inquiry, which could be critical to our future good relations with the new Libya. Will it be able to consider the role and case of the old regime's intelligence chief, Musa Kusa?

The Prime Minister: Musa Kusa is helping the police with their inquiries into, for instance, the Yvonne Fletcher case, and they will go on having conversations with him. That will go ahead. Sir Peter Gibson's inquiry can go wherever the evidence leads, and he can call for papers that he wants to see. The key things that he is looking at are the accusations of complicity in torture, rendition, malpractice or maltreatment.

Pete Wishart (Perth and North Perthshire) (SNP): We in the Scottish National party join the Prime Minister in paying tribute to the brave men and women in our armed forces who have been involved in these operations. We also welcome the extension of Sir Peter Gibson's inquiry, but does the Prime Minister believe that it will be enough to get to the bottom of these allegations of such truly awful and reprehensible acts? Will he, for example, be able to interview former Labour Ministers and ask what they knew about those operations? Will he also be able to make some sort of judgment about the activities and actions of the last Labour Government?

The Prime Minister: As I said, what Sir Peter Gibson will be able to do is call for papers and people, and question people about the decisions that they took. He is looking into accusations of complicity in mistreatment, rendition or torture, and all those things, and if Ministers, whether in the last Government or not, have questions to answer, they will then need to answer those questions. That is the correct way for these things to be done.

Mr John Baron (Basildon and Billericay) (Con): What does the Prime Minister believe to be the lessons from our intervention when it comes to any possible future interventions, given that the Arab League contains countries such as Syria and that we as a country refused to help the citizens of Yemen and Bahrain?

The Prime Minister: As I said in my statement, I do not subscribe to this idea that because we cannot fix every problem in the world, we should not fix any problem in the world. It seemed to me that, in a totally practical way, here was a problem that we had a moral obligation to try to deal with because we could prevent a massacre—as well as, if you like, an "ought", there was also a "could". We were able to do this because we had the support of Arab nations, because we had NATO behind us and because we convinced the UN Security Council to vote for it. When "ought" and "can" come together, there is a pretty good case for action.

Mark Durkan (Foyle) (SDLP): The Prime Minister has spoken of hope across the wider region following events in Libya. Will both the premium that he and other international leaders have put on inclusion and consensus in building constitutions and states, and the primacy of democratic elections also be reflected in their response to the current efforts of the Palestinian Authority in respect of statehood, given that this month is the target date when statehood was to be recognised at the UN?

The Prime Minister: As I said earlier, I see all these issues as being linked. Just as we want to see greater democracy, peace and progress in middle eastern countries across the board, so we want to see the Palestinians have the dignity of their own state. However, we believe in the two-state solution, so it must be a Palestine alongside a secure Israel. When it comes to the whole issue of recognition, the test for us is: are we doing something that will help to push forward the peace process? That is the most important thing. In the end, we cannot compel Israel and Palestine to reach peace between themselves; they have to want to do it.

Mr Andrew Tyrie (Chichester) (Con): As the Prime Minister knows, I have called for several years for an inquiry into rendition, but I have to say that Sir Peter Gibson's preparatory work is already a source of concern. Is the Prime Minister aware that he has already decided not to follow the same certification process that Lord Butler used in his inquiry to ensure that he got the right papers, that he has decided against appointing an independent investigator and that, contrary to the spirit of the reply that the Prime Minister gave me when setting up the Gibson inquiry, he will not be looking at detainee transfers in theatre? Will the Prime Minister look again at the protocol, to ensure that Sir Peter can do a proper job?

The Prime Minister: I will look very carefully at what my hon. Friend says, because he has been pursuing this issue with dogged determination over the years, and quite right too. What I would say though is that we are dealing with an inquiry that is almost entirely concerned with the security and intelligence services. This is an extremely difficult area to inquire into, and it has to be done with great sensitivity. I do not want to do anything that puts our country at risk or jeopardises the work of our security and intelligence services. I see this as a package: there was the clearing of the Guantanamo Bay detainee cases, which was vital so that the security services could get on with their work; there was the new guidance, so that our officers in the field knew what they should and should not do; and there is this inquiry to try to clear up the problems of the past. Yes, it is about uncovering any mistreatment or malpractice, which is not to be justified in any way, but it is also about enabling our security services to get on with the job of keeping us safe.

Mrs Madeleine Moon (Bridgend) (Lab): The Prime Minister has rightly praised the professionalism, skills and ethos of the 2,300 service personnel. If Libya is to take over responsibility for its own security so that those service personnel can return to base and to other duties, will he ensure that, in financial terms, the training that we provide will help to build a new Libyan army, air force and navy that are competitive with those of other countries, so that we can pull our own service personnel back? If we can provide that training, we can build a new relationship between our armed forces.

The Prime Minister: Certainly we will make available our advice, services and help for the new Libya. As I have said, we must allow the Libyan people to choose what they want to do, rather than force things on them. I do not think we should have the attitude that because we have helped to liberate Libya we should therefore get some sort of automatic preferred status. We should do it on the basis of what we have to offer, and on the basis of all the normal rules and regulations that we bring to this.

Mr Tobias Ellwood (Bournemouth East) (Con): I commend the Prime Minister's resolve on this issue. He is right to stress that it is for the Libyan people to determine their future, but the removal of Gaddafi unearths a complex network of tribal alliances, and we are not out of the woods yet. Does my right hon. Friend agree that stability over the next few months will be critical if we are to see a role reversal in which the rebels become the state and the pro-Gaddafi tribal forces become the insurgents?

The Prime Minister: My hon. Friend is quite right to draw attention to the risks involved in moving from a situation in which Gaddafi is in command to one in which he is on the run and the NTC is taking over. There are all sorts of risks, and we should not be complacent or over-confident about what will follow. All I would say is that those who warned that Libya was a country riven with tribal loyalties, divided between Benghazi and Tripoli and prone to extreme Islam have so far not been proven correct. This revolution was not about extreme Islamism; al-Qaeda played no part in it. It was about people yearning for a voice and job, and it is our duty to get behind them and help them to build that new country.

Steve McCabe (Birmingham, Selly Oak) (Lab): As the Prime Minister has suggested, some of the rebels have an al-Qaeda past. We all want good relations with the new Libya, but does he agree that it is important that the House has as much information as possible about the history of those who are now assuming positions of power, so that we know exactly who we are dealing with?

The Prime Minister: Of course that information is valuable and, as I have said, we should not be naive and think we are dealing with just one type of people; we are dealing with all sorts of different people. Encouraging people who have a strong belief in the Muslim faith into a democratic role, rather than a violent role, is the right approach. Obviously, there are concerns about where that can lead, but when we look at a country such as Turkey, whose Government have some pedigree out of Muslim politics, we see that that can be compatible with a very successful democracy.

Rehman Chishti (Gillingham and Rainham) (Con): The international community has come to the conclusion that the Assad regime in Syria has become an illegitimate regime, and Arab countries such as Saudi Arabia, Kuwait and Jordan have withdrawn their ambassadors from Syria. How far away are we from reaching that conclusion?

The Prime Minister: I think we should act with others, and in a way that maximises our influence. What has happened among Arab countries, including their progressive recognition that Assad is illegitimate and cannot now take his country forward, is very important, but we still have not got to a position where there is unanimity about that across the Arab world, or indeed in the United Nations itself.

Mr William Bain (Glasgow North East) (Lab): Although Libya is the second richest African nation in terms of gross domestic product per capita, it suffers from unemployment rates in excess of 30%. Will the Prime Minister tell us how the international community will be able to help the new Libyan Government to develop a more knowledge-based economy and to increase Libya's share of trade with the European Union and its other major trading partners?

The Prime Minister: The hon. Gentleman raises an important point. We are trying to change the entire European neighbourhood policy to make it much more about market access and trade, and in some ways we have been successful. If those north African countries traded as much with each other and with the EU as European countries do, they would have far higher levels of GDP and much more balanced economies. The exciting thing about Libya is that, because of its oil wealth and its relative size, it can be an economic success story. For too many countries, oil has been a curse rather than a blessing, but Libya has this opportunity to make a new start and to put those oil revenues to good use.

Andrew Bridgen (North West Leicestershire) (Con): The Prime Minister has indicated that the British Government is planning to play a role in the vital training of the new military forces of the new Libyan Government. Will the resources allocated to this task be greater or less than those allocated by the previous Labour Government in the training of Colonel Gaddafi's forces, which enabled him better to repress his own people?

The Prime Minister: That is an ingenious question. The point is that we should wait and see what it is the Libyans want us to do. We clearly have strong capabilities in the training of armed forces and police forces, in advising on having an independent judiciary and the like, and I believe we should make these available and see what the Libyans want. Training the police forces of other countries is a difficult issue. In getting into it, one is often accused of helping a regime that might not be perfect in every sense, but if we do not do it, we lose the opportunity to explain some of the finer points of independent policing and respect for human rights. This is a very difficult issue that we have not yet got right.

Mr Nick Raynsford (Greenwich and Woolwich) (Lab): The Prime Minister rightly emphasised that President Assad of Syria has lost all legitimacy, that he should stand aside and that the violence must end. At the same time, the Prime Minister recognises that there is not yet the degree of international agreement necessary to give effect to those expressions of intent. Will he tell us more about what he and his Government are doing to try to build international agreement to the level where it becomes possible to force President Assad to pay attention to

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what the right hon. Gentleman described in respect of Libya as the moral imperative of stopping the slaughter of civilians?

The Prime Minister: The answer to the right hon. Gentleman is that it is a series of permanent conversations, particularly those that my right hon. Friend the Foreign Secretary is having. At the European level, there is a high degree of unity—in some ways, I think the EU has led the way, particularly with the oil embargo—but we also need to have, and are having, strong discussions with the permanent members of the Security Council. The right hon. Gentleman's hon. Friend the Member for Rhondda (Chris Bryant) mentioned Russia, which I shall be visiting soon. We also need discussions with the non-permanent members like South Africa and others, and more widely, including with the Arab League, so that we build international support. There is no substitute for a lot of hard work and diplomacy to try to build the strongest possible coalition.

Geoffrey Clifton-Brown (The Cotswolds) (Con): My right hon. Friend's actions, saving many lives in Libya, have been totally vindicated. So that the national transitional council is not overwhelmed with offers of help, who will take the lead in reconstruction in Libya and precisely what role will this country play?

The Prime Minister: I am very grateful to my hon. Friend for what he said. The key is building up—and my right hon. Friend the International Development Secretary has been key to this—a Libyan-led and Libyan-owned plan for transition. It is Libya's plan—we have assisted and helped to co-ordinate, but it is the Libyans' plan; others can then slot into it. It has been interesting to hear what they want—not always the things that one might expect. The biggest single demand made in Paris was for temporary classrooms, because so many schools had been used by Gaddafi's forces, and for some temporary housing. We will fit into these requests, but it is a Libyan-led plan.

Mr Andrew Love (Edmonton) (Lab/Co-op): I understand that it is indeed early days for the new Libya, but will the Prime Minister say a little more about the discussions about unfreezing assets? While there is justifiably a need and an urgency to distribute these assets, there are also some concerns about whether they will go to the correct places and whether the concerns expressed around the Chamber will come to fruition, as they might be affected by these assets. Will the Prime Minister say a little more about the discussions so far?

The Prime Minister: The hon. Gentleman raises an important point. What we are doing at the moment is taking through parts of unfreezing assets on an ad hoc basis through the UN Security Council. We were able to unfreeze the Libyan dinars printed by De La Rue in this country, and we can now distribute them back to the Libyan people. As for making sure that they are properly received, as I said in my statement there should be a proper accounting and transparency initiative in Libya. As for a more general asset release, we need a new UN resolution, and we are pushing for it, but we do not want to lose what we have at the moment, which is a UN resolution that enables the NATO mission to go on protecting civilians. It is a balance: we want to get both those things so that the assets can be unfrozen more broadly.

Mr Ben Wallace (Wyre and Preston North) (Con): The last Government consistently told us that the whole reason for working more closely with Libya was the agreement reached in 2003 on weapons of mass destruction. Following the collapse of the Gaddafi regime, we now see that Gaddafi kept hardly any part of that agreement. He hoarded massive stocks of chemical weapons in order continually to brutalise and ignore human rights. Does the Prime Minister not think it rather odd that the last Government knew that all along, but for eight years continued to increase co-operation with the Libyans?

The Prime Minister: That is an important point. Hopefully, with a new Government in Libya, we shall be able to see how much of the agreement over weapons of mass destruction was kept. It is concerning that there are still large supplies of unweaponised mustard gas, on which the international community and, now, the NTC must keep a close eye, but, as I have said, when the new Government get their feet under the table, we may find out more.

Toby Perkins (Chesterfield) (Lab): Glapwell Contracting Services in my constituency was in the process of completing a contract with the Libyan oil industry when the uprising started. The failure of that contract to reach completion caused significant financial problems for the company, and it has taken me more than two months to get the Department for Business, Innovation and Skills to respond to me. Can the Prime Minister tell me whether he will be able to secure any support for the British businesses that are in the middle of contracts with Libya, and what weight he will be able to put behind that?

The Prime Minister: The hon. Gentleman has raised an important point. I think it will help that not only do we now have a mission in Benghazi, but our ambassador will be becoming established in Tripoli. There will be full support for that, and companies such as the one that the hon. Gentleman represents in his constituency will be able to contact the embassy, which will be able to help with the contract.

Mr Philip Hollobone (Kettering) (Con): I commend the Prime Minister for his leadership throughout this episode, but may I press him on the issue of cost? What is the latest Treasury estimate of the cost of British intervention in Libya? Given that some $15 billion of assets are about to be unfrozen, given that Libya is an oil-rich nation, and given that the Arab League wanted us to become involved, surely it is not unreasonable to ask for at least a contribution to the cost that the British taxpayer incurred in freeing the country.

The Prime Minister: That is an entirely reasonable point. So far the cost of our contribution to operations has been £120 million. The cost of spent munitions is in excess of that figure—I think around £140 million. Clearly Britain has spent money to help the Libyan people to free themselves, and, as my hon. Friend says, Libya is a wealthy country. We have not had conversations

about that to date, but I am sure that those are matters we can take into account for the future.

Sajid Javid (Bromsgrove) (Con): I congratulate the Prime Minister on the leadership role played by him and his team, but does he agree that this is ultimately a Libyan and not a foreign triumph?

The Prime Minister: My hon. Friend has made the important point that this would not have happened without the Libyan people. They took the initiative, although we were able to help them. I think it important to the future development of the country for young Libyans in the future to learn about the incredibly heroic things that their fathers and grandfathers did. This was something that the Libyans did for themselves rather than our doing it for them, and—in terms of their history, their pride, and what I hope they will build in their country—that will be fantastically important for the future.

Mr Mike Hancock (Portsmouth South) (LD): Bearing in mind the widespread media interest in the whereabouts of Musa Kusa, can the Prime Minister confirm that he is still in the United Kingdom? If Musa Kusa is not in the United Kingdom, what part did the Prime Minister play in letting him leave, and how can our intelligence services be expected to debrief him properly?

The Prime Minister: I believe that Musa Kusa is currently in Doha, where he has spent quite a lot of time, but I understand that he is co-operating fully with the police inquiry and has been questioned by the police. No special or sweetheart deals were done in respect of Musa Kusa, and, as I have said, I hope that the police investigation will continue.

Bob Stewart (Beckenham) (Con): The act of surrendering is probably the most dangerous thing that a combatant has to do. How can we encourage the forces of the NTC to act within the rules of war, and specifically within the Geneva convention? If they do, the remnants of Gaddafi's forces will be encouraged to surrender more quickly, and there will be less loss of life.

The Prime Minister: My hon. Friend speaks with great knowledge of this matter, and he is right to make that point. I have been impressed by the fact that the Free Libya Forces have extended the deadline for Gaddafi forces to surrender. Of course, there have been reports of abuse on all sides, although the Gaddafi war crimes put everything else into perspective. On the whole, however, it has been remarkable how the Free Libya forces have tried to behave properly and to integrate people who want to give up and reconcile.

Alec Shelbrooke (Elmet and Rothwell) (Con): May I congratulate the Prime Minister on his work in going to the UN before any military action was taken in Libya? I reiterate to him that a constituent of mine fled Libya. They were full of nothing but praise. They were from Benghazi and, having been a British citizen originally, they were in fear of their life following the threats that Gaddafi made.

Will my right hon. Friend assure the House and the country that the Government's policy will continue to be that no military action will take place anywhere in the world unless it is through the UN or NATO? Will he bear that in mind when recent reports from the US about the possible nuclear aspirations of Iran come into the debate?

The Prime Minister: I hear absolutely what my hon. Friend says, but I do not think that I can entirely give that assurance. I think it is important that Britain is able to act in self-defence, and sometimes there is not time to go to the UN or NATO, so I do not believe in giving that sort of assurance. On this issue, however, I think it was right to go to the UN, right to act with allies and right to bring together Arab partners to work with us. At all times, one should try to build the broadest alliances.

Mark Menzies (Fylde) (Con): The Prime Minister has already recognised the game-changing role that the RAF and the Typhoon Eurofighter played. Will he join me in recognising the work played by civilians and non-uniform personnel in keeping that aircraft flying and in service at all times?

The Prime Minister: I am delighted to do that. As I say, the Tornado performed magnificently in the skies above Libya, but the Typhoon did, too. That is a tribute to the pilots, the ground staff and ground crew, but also to all those involved in manufacturing and maintaining that aircraft. Touching the wood of the Dispatch Box, I think that those airplanes and their crews have performed very well.

Alok Sharma (Reading West) (Con): I too congratulate the Prime Minister on leading the international effort in Libya. May I say that it is rather refreshing finally to have a Prime Minister who leads from the front? Will he give us a few more details on the humanitarian aid that Britain and the international community are providing and are planning to provide, which will be incredibly important in the days, weeks and months ahead?

The Prime Minister: I am happy to do that. We have helped through the ICRC to provide medical assistance to 5,000 people. We have provided food for, I believe, around 700,000 people. We are working with others to provide water as well. On the humanitarian situation, we have always been ready to do more. The planning carried out by the Department for International Development has been first class. The needs have not always been as great as predicted, because the Libyans have themselves responded relatively rapidly to deal with shortages and problems.

Jason McCartney (Colne Valley) (Con): A lot of lessons have been learned, such as not helping the sons of dictators with their university coursework, but one of the key elements of the success has been the role of the Arab League, particularly the role played by nations such as Qatar with their special forces. Will the Prime Minister implore the Arab League to take strong action and to condemn what is happening in Syria?

The Prime Minister: My hon. Friend makes a good point, and the Secretary General of the Arab League is going to Damascus. It has been a great moment for the

[The Prime Minister]

Arab League. The role that the Emiratis, the Qataris and the Jordanians played made a lot of these things possible. We should also reassess how we work with those countries and what more we can do in training and working together, because that has been very successful on this occasion.

Stephen Hammond (Wimbledon) (Con): I join colleagues who have praised the military effort and the clarity of the Prime Minister's purpose. He is of course right to say that this was a Libyan civil uprising and a Libyan triumph, but does he agree that one of the consequences of the international action in the civil uprising was that many more civilian lives were saved than might have otherwise been so? The fact that the international community was prepared to take a role shows other countries where there are aspirant democracies against dictators that we will play an appropriate role if required.

The Prime Minister: I am grateful to my hon. Friend for what he says. I hope that dictators throughout the world will have taken note of what has happened and recognise that the long arm of international law can have, as I put it earlier, a long reach and a long memory. I also pay tribute to our armed forces and all those responsible for targeting for the huge work that was done to try to avoid civilian casualties and to avoid damaging civilian infrastructure. One of the reasons that parts of Libya are getting back to work, I hope relatively quickly, is that a lot of the civilian infrastructure was left untouched.

Mr Julian Brazier (Canterbury) (Con): I too congratulate the Prime Minister both on his role throughout this conflict and the cautious way forward he has charted. Does he agree that Israel falling out with its old ally Turkey shortly after the awful border problems with Egypt is not making life any easier for the moderate voices in the Arab League and those who want to move the region forward?

The Prime Minister: My hon. Friend is entirely right. We need to encourage Israel to work with all its moderate friends and allies for a safe and secure future, and obviously that is more difficult when relations between Israel and Turkey are more challenged.

David Morris (Morecambe and Lunesdale) (Con): It is refreshing to see a Prime Minister leading from the front, as my hon. Friend the Member for Reading West (Alok Sharma) said, but I am very concerned about the Yvonne Fletcher investigation. Will the Prime Minister assure me that all avenues will be followed to bring the perpetrator of this crime to book?

The Prime Minister: I can certainly give my hon. Friend that assurance. That is why I raised the case personally with Prime Minister Jibril at the Paris conference. I would just say that I think it is important that we allow this new Government to get their feet under the table in Tripoli before pressing the case a huge amount further. This is a police investigation too, and I would urge the Metropolitan police to do what they can to push the investigation forward and work with the new Libyan authorities.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): As my right hon. Friend will be aware, and as we have heard this afternoon, a number of businesses, including some in my constituency, have been seriously adversely affected by the conflict in Libya, leaving them with large unpaid bills. Will he agree to do all he can, through whatever reasonable channels there are, to put pressure on the NTC to pay those bills as soon as possible, to protect British jobs and companies—and perhaps also work in future with the Department for Business, Innovation and Skills to put in place a system that protects companies that do business in some of these more volatile countries?

The Prime Minister: Obviously, the Government cannot stand behind every contract that every individual firm enters into anywhere in the world, but I completely understand why my hon. Friend feels strongly on behalf of his constituents, and that is why we have embassies around the world, and why we will now have a new ambassador in Tripoli, Dominic Asquith, and a new team around him that will be able to make progress on all such issues that hon. Members raise.

Gareth Johnson (Dartford) (Con): I agree with the Prime Minister that we should not rush to judgment on some of these issues, but does he agree that it is at least questionable for the last Government to have sent UK police officers to Libya to train Gaddafi's forces when those responsible for WPC Fletcher's murder were still at large?

The Prime Minister: My hon. Friend makes an important point. Let me say again that I think it was right to re-form a relationship with Libya when it gave up weapons of mass destruction, but we had to do that in the right way, and I do not believe we made enough progress on issues such as the murder of Yvonne Fletcher, and I also do not think that the al-Megrahi case was handled in the right way.

Henry Smith (Crawley) (Con): Five years ago, the then Government invited two of Gaddafi's sons to visit SAS headquarters, which I think was quite appalling. What lessons can we learn about the appeasing of abusive dictatorships?

The Prime Minister: I have a feeling that if they invited him again, they might treat him rather differently this time. As I have said: it is right to have a new relationship but wrong to be quite so gullible in how that was carried out—and, for all the reasons that have been given, I also think that helping to complete PhD theses is probably not a role Ministers should enter into in respect of other countries.

Point of Order

4.54 pm

Dr Julian Lewis (New Forest East) (Con): On a point of order, Mr Speaker. It has recently been reported that the Director of Public Prosecutions has stated that the same sentence ought to be imposed on a rioter committing a criminal act in the context of the riots as on an individual criminal committing the same act by itself. Given that magistrates have admirably been imposing exemplary sentences, can you, Mr Speaker, tell the House whether we can expect a statement from a Justice Minister on whether the Government support the DPP's view or the view of the magistrates and, indeed, the British people?

Mr Speaker: Experience has suggested to me that it is unwise for me to expect anything—and I have expected so far nothing from a Minister on this matter. I have received no notification, no hint, no twitch of an eyebrow, no signal otherwise. I hope I satisfy the hon. Member for New Forest East (Dr Lewis) who, in the process of making his point, has alerted none other than the Prime Minister to what he believes is its force and significance.

We come now to the main business—*[Interruption.]* The Whip on duty is ahead of himself, and we are grateful to him. What I was going to say, and will now do so, is that the Clerk will now—*[Interruption.]* Whips are usually behind the curve. Something has happened and they are doing better today, almost too well. *[Interruption.]* It is the effect of the holiday of the hon. Member for North Herefordshire (Bill Wiggin), as he pertinently observes from a sedentary position.

Terrorism Prevention and Investigation Measures Bill

[Relevant documents: The Sixteenth Report from the Joint Committee on Human Rights, Legislative Scrutiny: Terrorism Prevention and Investigation Measures Bill, HC 1432.]

Consideration of Bill, as amended in the Public Bill Committee

New Clause 3

EXPIRY AND REPEAL OF TPIM POWERS

'(1) Except so far as otherwise provided under this section, the Secretary of State's TPIM powers expire at the end of 5 years beginning with the day on which this Act is passed.

(2) The Secretary of State may, by order made by statutory instrument—

(a) repeal the Secretary of State's TPIM powers;

(b) at any time revive the Secretary of State's TPIM powers for a period not exceeding 5 years;

(c) provide that the Secretary of State's TPIM powers—

(i) are not to expire at the time when they would otherwise expire under subsection (1) or in accordance with an order under this subsection; but

(ii) are to continue in force after that time for a period not exceeding 5 years.

(3) Before making an order under this section the Secretary of State must consult—

(a) the independent reviewer appointed for the purposes of section 20;

(b) the Intelligence Services Commissioner; and

(c) the Director-General of the Security Service.

(4) An order under this section may not be made unless a draft of it has been laid before Parliament and approved by a resolution of each House.

(5) Subsection (4) does not apply to an order that contains a declaration by the Secretary of State that the order needs, by reason of urgency, to be made without the approval required by that subsection.

(6) An order that contains such a declaration—

(a) must be laid before Parliament after being made; and

(b) if not approved by a resolution of each House before the end of 40 days beginning with the day on which the order was made, ceases to have effect at the end of that period.

(7) Where an order ceases to have effect in accordance with subsection (6), that does not—

(a) affect anything previously done in reliance on the order; or

(b) prevent the making of a new order to the same or similar effect.

(8) In this section—

"40 days" means 40 days computed as provided for in section 7(1) of the Statutory Instruments Act 1946;

"Secretary of State's TPIM powers" means—

(a) the power to impose a TPIM notice under section2;

(b) the power to extend a TPIM notice under section5(2);

(c) the power to vary a TPIM notice under section12(1)(c); and

(d) the power to revive a TPIM notice under section13(6) to (9).'.—*(James Brokenshire.)*

Brought up, and read the First time.

4.56 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

Government new clause 4—*Section (Expiry and repeal of TPIM powers): supplementary provision.*

New clause 7—*Annual renewal*

'(1) Except in so far as otherwise provided under this Clause, Clause 2 and all other consequential clauses in this Act will expire at the end of the period of 12 months beginning with the day on which this Act comes into force.

(2) The Secretary of State may by order made by statutory instrument—

(a) repeal Clause 2 and all other consequential clauses in this Act; or

(b) provide that Clause 2 will not expire at the time when it would otherwise expire under subsection (1) of this Clause but will continue in force after that time for a period not exceeding one year.

(3) Before making an order under subsection (2)(b) of this Clause the Secretary of State must consult—

(a) the Independent Reviewer of Counter-Terrorism Legislation;

(b) the police; and

(c) the security services.

(4) No order may be made by the Secretary of State under this Clause unless a draft of it has been laid before Parliament and approved by a resolution of each House.

(5) Subsection (4) of this Clause does not apply to an order that contains a declaration by the Secretary of State that the order needs, by reason of urgency, to be made without the approval required by subsection (4).

(6) An order under this Clause that contains such a declaration—

(a) must be laid before Parliament after being made; and

(b) if not approved by a resolution of each House before the end of 40 days beginning with the day on which the order was made, ceases to have effect at the end of that period.

(7) Where an order ceases to have effect in accordance with subsection (6), that does not—

(a) affect anything previously done in reliance on the order; or

(b) prevent the making of a new order to the same or similar effect.'.

Government amendments 11 and 13.

Amendment 8, page 15, line 41, clause 27, leave out from 'Act' to end of line and insert

'will come into force on 1 January 2013'.

Amendment 20, page 15, line 41, clause 27, leave out from 'Act' to end of line and insert

'will come into force the day after the Home Secretary reports to Parliament to confirm that paragraphs (a), (b) and (c) below have been complied with—

(a) no later than one month after the day on which this Act is passed, the Senior National Co-ordinator for Counter-terrorism will produce a report to the Home Secretary detailing the additional required resources ("required resources") that will be needed to manage the increased risks arising from the repeal of the Prevention of Terrorism Act 2005 and the passing of this Act;

(b) no later than two months after the day on which this Act is passed the Home Secretary will agree with the Senior National Co-ordinator for Counter-terrorism the required resources under paragraph (a) and the timetable for such required resources becoming deployable for use in implementing and managing measures relating to TPIM notices;

(c) this Act cannot come into force until the required resources as agreed under paragraph (b) above are made available and ready for deployment.'.

James Brokenshire: In starting our consideration of the Bill, we will be reflecting on a number of points and issues that were debated in Committee. I look forward to continuing some of the debates that we had with Members who were part of that Committee, and with other Members joining today's consideration.

This group contains two related but distinct sets of amendments. The first deals with expiry and renewal of the legislation, and the second with its commencement. On expiry and renewal, the Government new clauses and amendments return to an important matter that was raised on Second Reading and in Committee: the duration of the Bill's provisions and whether they should be subject to any form of sunset or renewal.

A number of arguments have been advanced. The Government previously set out their view that the Bill is the product of a lengthy and considered review, that it makes significant improvements to the control orders system, and that it establishes a framework that ought to be able to operate stably and effectively on a permanent basis. The point has been well made that we are legislators, and that we are fully competent to review the necessity of legislation, and to amend or repeal it if it is no longer necessary or if changes are needed. However, it has also been argued with some force that the nature of the powers in the Bill makes some form of regular review appropriate, both to reflect the weighty responsibility on Parliament when it accords the Government such powers, and to focus minds on the need to ensure that the legislation remains in force only as long as is necessary.

Mr Pat McFadden (Wolverhampton South East) (Lab): If this Bill is the product of a long and considered review, why did the Government think it necessary to publish an alternative Bill last Thursday night?

James Brokenshire: I will come to that point during consideration of further amendments, but I draw the right hon. Gentleman's attention to the Government's counter-terrorism review—which specifically contemplated the necessity of enhanced measures, should exceptional circumstances require them—and to the specific paragraphs and references in that review. That is why I have said that the product of this legislation has been subject to that careful consideration.

5 pm

Keith Vaz (Leicester East) (Lab): I believe that this is the hon. Gentleman's first time at the Dispatch Box with his new responsibilities as counter-terrorism Minister, so may I congratulate him on his appointment and on taking on that portfolio?

I am concerned about Lord Macdonald's role in the Government's latest suggestions. He was their reviewer of counter-terrorism policy, he produced a report and there were differences between him and the Government on a number of important points. Has he had the

opportunity to comment on the Bill? Has the Home Secretary spoken to him about the substance of what is before the House today?

James Brokenshire: The right hon. Gentleman is probably aware that Lord Macdonald produced a separate report alongside the counter-terrorism review document to which I have alluded. That analysis and ancillary documentation fitted alongside the review, which was published earlier this year. We will deal in further detail with the points I made about the Bill's provisions and with the concept of the need for exceptional emergency measures when we discuss the second group of amendments.

Keith Vaz *rose—*

James Brokenshire: I am sorry if I have not satisfied the right hon. Gentleman's inquiries.

Keith Vaz: The Minister usually satisfies them, but on this occasion he has not. What was Lord Macdonald's role in these new proposals? Has he had an opportunity to look at them and comment on them? That is all I wish to find out.

James Brokenshire: As the right hon. Gentleman will know, the foreword to Lord Macdonald's report said that he was invited

"to provide independent oversight of the Review".

That is the role that he conducted. He was asked to

"ensure that it is properly conducted, that all the relevant options have been considered and the recommendations are balanced."

That was the role he was required to carry out in the counter-terrorism review, which, obviously, led to the preparation of this Bill.

Dr Julian Huppert (Cambridge) (LD) *rose—*

James Brokenshire: I will give way one further time and then I will make some progress.

Dr Huppert: I am not comfortable with the draft Bill, but will the Minister accept my congratulations on moving the Government forward from the position set out in comments made by his former colleague, Baroness Neville-Jones? She said that this emergency power would be discussed only with the Opposition and would not be scrutinised by Parliament, so will he accept my congratulations on moving to a much more democratic process?

James Brokenshire: We have made it clear that the draft Bill will be subject to review and scrutiny by a Joint Committee of the House, and we believe that to be the right way forward.

Let me return to the new clauses in this group. We have carefully considered the various debates in Committee on the length and duration of the Bill. An amendment was tabled that would have introduced an annual renewal of the powers, equivalent to that currently contained in the Prevention of Terrorism Act 2005 in relation to control orders. An amendment with the same effect is before us today as new clause 7. Members of the Committee will recall that we had a helpful debate and that I made a commitment to consider the matter further and return to it. I thank the hon. Member for Cambridge (Dr Huppert) and other members of the Committee for the manner in which that discussion was held and for the points made. In line with that commitment, I reflected carefully on those points, noted the feelings and introduced new clauses 3 and 4. They specify that the operative powers under the Bill will expire after five years, unless they are renewed by the Secretary of State, by order, subject to the affirmative resolution procedure.

There would also be an order-making power to repeal the powers or to revive them when they had been allowed to expire without their having been renewed. We consider that that approach strikes the right balance. It ensures that there will be a statutory requirement regularly to review the need for the legislation and each new Parliament will have the opportunity to debate it in the context of the situation at the time and to take its own view. We do not believe, however, that such a review is necessary annually.

The requirement for a review every five years, rather than every single year, as with control orders, seems to us to strike the right balance. It will avoid what the right hon. Member for Wythenshawe and Sale East (Paul Goggins) referred to on Second Reading as

"the constant arguing and bickering on this issue year after year when we should be seeking consensus in the face of the terrible threats that terrorists bring".—[*Official Report*, 7 June 2011; Vol. 529, c. 84-85.]

The Bill will be subject to full parliamentary scrutiny, according to the usual timetable, which will allow such a settled position to be reached. That is in contrast to the control orders legislation that it replaces, which was pushed through with little opportunity for debate, making annual renewal an appropriate safeguard—but one that we do not believe is necessary for this Bill.

Renewal every five years therefore provides an appropriately balanced approach. It reflects not only the seriousness with which we take these powers and the need to build in effective safeguards to ensure that they do not remain in force longer than necessary but the competence of this House and the other place to apply intense scrutiny to legislation and to arrive at a position that will not need to be reviewed annually. It also recognises the sustained nature of the threat and the fact that, sadly, these measures are likely to continue to be necessary for the foreseeable future.

Dr Huppert: I thank the Minister for giving way and for accepting the idea I floated in Committee. Will he give me some reassurance that if in five years' time he and his party are part of the Government they will approach the question in the spirit of carrying out a full review, as this Government did? That would enable detailed analysis and preparation before any further votes were taken.

James Brokenshire: As the hon. Gentleman will be aware, one Parliament cannot bind another. It would not be appropriate for me to suggest or require that a future Government act in a particular way when addressing such points. It would be reasonable and appropriate, however, to consider these matters carefully and in a measured and appropriate way, examining the security issues at that point in time in the same way as this Government sought to do in our counter-terrorism review, which led to the creation of this Bill. We consider

[James Brokenshire]

that a five-year renewal period, allowing each Parliament the opportunity to take a view on this important issue, strikes the right balance.

Richard Fuller (Bedford) (Con): I join my hon. Friend the Member for Cambridge (Dr Huppert) in welcoming this measure. May I probe the Minister a little further on the spirit of the renewal every five years? Will he give some guidance about whether, in his view, we should have a thorough and complete review of these measures every five years rather than sending them through on the nod for another five years, saying that they seem to be working? Many of us would have liked to have seen the Government go further to undo some of the damage done by the previous Government and it is important that we hear whether the Minister anticipates the review every five years to be more thorough than the annual on-the-nod review.

James Brokenshire: As I said to the hon. Member for Cambridge, I would certainly anticipate a considered review of counter-terrorism powers when the time arrived. That would be the appropriate way to proceed and to examine the renewal. The time period will also allow further and broader consideration of the security position at that point and of what measures might be required, necessary and appropriate to deal with the risks, challenges and issues that face our country.

I do not wish to detain the House, but I should explain briefly that amendments 11 and 13 make necessary technical changes to clauses 19 and 20 in consequence of Government new clauses 3 and 4. Amendment 11 ensures that the Secretary of State is not under a nugatory duty to report on the exercise of her powers under the Bill at a time when her powers have expired or been repealed. Similarly, amendment 13 ensures that the independent reviewer is not under a duty to report on the operation of the Act for periods when the operative powers are not in force.

Amendments 8 and 20, which were tabled by the Opposition, relate to when the Bill may come into force —currently, the day after it receives Royal Assent. It has been suggested, and I have consistently and strongly refuted such suggestions, that the police and the Security Service will not be ready to implement the new system when the Bill is expected to receive Royal Assent because the additional investigative resources that will complement the new system will not be in place. On that basis, and on the basis of wider suggestions that the powers under the new system will be insufficient to protect the public, it has also been suggested that the new system should not be introduced before the 2012 Olympics.

Hazel Blears (Salford and Eccles) (Lab): Does the Minister recall that when Deputy Assistant Commissioner Osborne gave evidence to the Committee, he said:

> "To get the resources that we anticipate we need will take more than a year, in terms of being able to get people trained and to get the right equipment. Until we have got that, we will not be able to start to bed things in and see how it works and how it transpires"?—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 21 June 2011; c. 9, Q27.]

Clearly, the Minister is rejecting DAC Osborne's evidence that it will take more than a year to get the agents trained to have the necessary skills and to get the electronic equipment that will be required to meet the increased risk that will inevitably be caused by the Bill. Does he believe that Mr Osborne is entirely incorrect?

James Brokenshire: I will certainly come to that point because it is at the crux of the amendments relating to this part of the Bill and to the points that the right hon. Lady and other right hon. and hon. Members made in Committee. The Metropolitan Police Service has confirmed that arrangements will be in place effectively to manage the transition from control orders to TPIM notices when they become effective. During the summer I had a number of conversations with the Metropolitan Police Service and I went to see the team that has responsibility for managing those who are subject to control orders and for managing terrorists who have been released from prison and are subsequently being managed. It has been very humbling to see the work that they do on a weekly basis to ensure that we are all properly protected. I have spoken personally to those who will be involved in managing the transition and the new regime. I cannot go into detail about the plans that are at hand, but I assure the House that I have been impressed by the range of excellent work that is under way. I reiterate that the Metropolitan Police Service has confirmed that arrangements will be in place effectively to manage the transition from control orders to TPIM notices when that change takes place.

Hazel Blears: I have no doubt that the Metropolitan Police Service is doing everything it can to try to ensure the risk to the public is properly managed—it would absolutely be committed to doing that. However, we have on record DAC Osborne's evidence to the Committee that it would take more than a year to get these resources into place. If the Minister is now saying that the Metropolitan police have revised their view and that it will not take a year, may we have something similar in writing, as evidence, for all Members who are concerned about these matters, so that we can see that DAC Osborne's original statement was incorrect?

James Brokenshire: The right hon. Lady has consistently made this point and we debated this issue at length in Committee, but I have been quite clear to the House about the statements that the Metropolitan Police Service has made to the Home Office. It has confirmed that arrangements will be in place effectively to manage the transition from control orders to TPIM notices. I am being quite specific and explicit in relation to that and the work that has been undertaken to prepare for that transition. Although I accept the points that the right hon. Lady has made, I have been quite clear about the assurances that we have gained in that regard and, similarly, the work that the Security Service has developed in its detailed plans for its additional allocation over the next four years, which it too is implementing.

Shabana Mahmood (Birmingham, Ladywood) (Lab): The Minister will recall from Committee that one of the issues regarding additional resources was the fact that we are talking not just about money but about the extra surveillance officers who will be required to meet the increased risk under the TPIMs regime, which did not exist under control orders because we had relocation and longer curfews. DAC Osborne was clear that it

takes about a year to train the extra surveillance officers. Will the Minister explain how that will be truncated and how the training will now take less than a year?

James Brokenshire: Let me make it clear that the additional resources are not simply about providing additional human surveillance capacity. The police and Security Service will use the additional money to enhance their use of a range of covert investigative techniques, including human and technical surveillance. It is not simply about that one point. Although I am unable to go into the detail of the preparations that are in hand, the police service and the Security Service have been engaged in work to ensure that appropriate measures are in place to provide us with the assurance that the TPIMs regime will work as we intend, so that we as a Government can fulfil our responsibilities and provide assurances on this important point.

5.15 pm

Mr Gerry Sutcliffe (Bradford South) (Lab): This crucial point came up in Committee. I understand what the Minister is saying. He sought reassurances from the Met, as we would expect, but we had the evidence of DAC Osborne. If the process is to work, surely we should have before us a letter of confirmation from the Met stating what the Minister is telling us and assuring us that the Met have revised their position as set out in DAC Osborne's evidence to the Committee, and that they are happy with that. I fully respect the Minister's word and I understand what he is saying, but for the benefit of the process that should be put in writing from the Met to the Committee or to the House.

James Brokenshire: I have made clear the assurances that we have received. I know how the hon. Gentleman approaches these matters, and we have had numerous debates on numerous issues over the years. We have sought assurance. In preparing the Bill and the change to current practice, the Government have proceeded by seeking to assure ourselves that appropriate measures are in place to mitigate the risk posed by those who are suspected of being involved in terrorism but cannot be deported or prosecuted. As I have said consistently in relation to TPIMs, the legislation and the enhanced capabilities that the police and the Security Service will have ensure that there is a balanced package of measures that will operate as we intend. We are satisfied that the preparations in hand will lead to the changes envisaged by the Bill following Royal Assent.

Paul Goggins (Wythenshawe and Sale East) (Lab): I commend the Minister for the visit that he made to the Metropolitan police, but his assurances this afternoon go nowhere near far enough. Since his visit to the Metropolitan police, has he had a chance or has his right hon. Friend the Home Secretary had a chance to talk to the Prime Minister about the matter? On 11 August, when Parliament was recalled, I asked the Prime Minister to consider delaying or preferably cancelling the new provisions, particularly in relation to relocation. The Prime Minister said:

"I will certainly look very carefully and closely at what he says."—[*Official Report*, 11 August 2011; Vol. 531, c. 1074.]

I have not had a chance to speak to the Prime Minister about that, but I am sure the Minister has. Will he update us?

James Brokenshire: I am aware that the right hon. Gentleman had that exchange with the Prime Minister and has subsequently written to him. He raised the point in a fair and balanced way and, from my reading of the record, the Prime Minister said that he would look carefully and closely at what he said. I can tell the right hon. Gentleman that we have looked carefully and closely at what he said, but the approach that we are taking is as I have set out in relation to the Bill and as I set out this afternoon.

Right hon. and hon. Members will appreciate that we cannot provide detailed breakdowns of what money we provide for specific security activities. This could provide detailed information about our capabilities and techniques, which could undermine national security. But the Government continue to consider that the TPIMs regime and the additional resources for the police and Security Service for covert investigation provide an acceptable balance between the needs of national security and civil liberties, and that the overall package mitigates the risks that we face. Indeed, the additional resources for covert investigative techniques could increase the opportunities for the collection of evidence that may be used in a prosecution.

It would be irresponsible of the Government to introduce the new system when it was not safe to do so. I am sure that there is absolute consensus on that, and I appreciate that the proposed changes are intended to ensure that the Government are not able to take such a risk with public safety, but I have been clear in what I have said and about the assurances that we have obtained, and, on the introduction of the new regime, the Government would not take such a risk if they were not satisfied about the steps and approaches being taken by the Metropolitan Police Service and Security Service.

I have moved new clause 3, and I look forward to further debate about the other new clauses and amendments.

Shabana Mahmood: May I welcome the Minister formally to his place? It is a pleasure to continue on Report the debate that we had in Committee.

I shall speak to new clause 7 and amendment 20, which stand in my name and those of my right hon. and hon. Friends. I am grateful to the Minister for his explanation of the Government's movement in relation to the introduction of new clause 3 and new clause 4, which, as he explained, envisages a five-year sunset clause and moves us somewhat further on than did our debate in Committee.

New clause 7 would replicate the position under the Prevention of Terrorism Act 2005, which brought in the control order regime, and the amendment would limit to 12 months the powers under the TPIMs regime and would, therefore, require their annual renewal by Parliament.

Our new clause began in Committee as an amendment, which I moved, and was based on oral evidence given in Committee by Liberty, Justice and others. It was introduced to reflect our concerns that the Government's legislation will mean fewer checks and balances on what are exceptional measures. Many in the House agree that they are undesirable and in an ideal world we would not have to have them, but they have proved necessary, given the serious terrorist risks that we face.

[Shabana Mahmood]

I do not often agree with Liberty, particularly on control orders, because our starting points for the debate are different, but I was struck by its evidence in Committee, when the organisation made it clear that it would rather—to be fair to Shami Chakrabarti, she said that she would choke on these words—take existing control orders, with their annual renewal, meaning a 12-month limit on their power, over the new TPIMs regime. The reasons for that—and why I agree with that position—primarily relate to the importance of bringing such exceptional measures back to the House for regular, annual review and, if Parliament deems it appropriate, for renewal.

Richard Fuller: I was not on the Committee, but in the evidence I noted Lord Carlile's comments about the point of annual renewal. He said that

"annual renewal has been a bit of a fiction, to be frank,"

and went on to issue a challenge, stating that

Parliament should have the courage of its convictions and decide whether it wants a regime like this or not."—*[Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 21 June 2011; c. 23-24, Q70.*]*

How does the hon. Lady square that with her view of annual reviews?

Shabana Mahmood: I am grateful for that intervention, and I will come to Lord Carlile's evidence in Committee. He clearly did not think that annual renewal was needed, but recent developments, in particular the introduction of the Government's draft Bill four days ago, make annual renewal even more necessary than before. I will turn shortly to the reasons why.

Dr Huppert: May I ask the hon. Lady the same question that I asked the Minister? If the measures before us are passed and there is a five-yearly cycle, and if the Government then include her and her party, will she commit to a full and proper review of the entire counter-terror strategy, as this Government have?

Shabana Mahmood: I am afraid that I have to give the hon. Gentleman exactly the same answer that the Minister gave, which is that obviously one Parliament cannot constrain another. I imagine that most new Governments would want to look carefully and responsibly at what are exceptional measures. We have all stated on many occasions that in an ideal world we would not need these powers. The risk is developing all the time and I would hope that any Government would keep these matters under continual review, rather than just saying that they will do it every five years. I think that that clearly sets out our position.

Jeremy Corbyn (Islington North) (Lab): I am interested in my hon. Friend's answer. Does she not think that we should move in the direction of using criminal law in all cases, rather than going down this endless route of special legislation? I have been in this House long enough to have voted against most of these pieces of legislation, starting with the renewal of the Prevention of Terrorism (Temporary Provisions) Act 1974. I did so because it departed from the criminal law and essentially involved the executive powers of Ministers, which I am sure she will agree is a dangerous thing.

Shabana Mahmood: Wherever possible, we should clearly proceed down the criminal justice system route. If that is available in the irreducible minimum number of cases that we have, it should be pursued. I expect the police and responsible prosecutors to ensure that prosecutions take place wherever possible. I think that all Members on both sides of the House share the view that it is far better that individuals involved in terrorism-related activity are prosecuted, convicted and banged up. However, there are cases where it is not possible to convert the evidence that we have, which is intelligence based, into evidence that would be admissible in a court of law. For those cases, it is necessary to have a different system to deal with the risk. If we could avoid being in that position, of course we would, but it is just not possible because of the nature of the evidence and the intelligence sources that it relies on. I am afraid to say that it will not always be possible to resort to the criminal justice system and that a different kind of system for dealing with this risk is therefore necessary.

Mr Mark Field (Cities of London and Westminster) (Con): I have immense sympathy with the views that have just been expressed by the hon. Member for Islington North (Jeremy Corbyn). Equally, I have some sympathy with the notion that we should look at this legislation on a more regular basis. However, the hon. Lady has not addressed the issue raised by my hon. Friend the Member for Bedford (Richard Fuller) a moment ago. The reality is that with Northern Ireland terrorism before 2005, the annual reviews were entirely a fiction and the powers went through on the nod. I have some sympathy with the Minister's view that a five-yearly review allows for a proper review, provided that the safeguards are in place. Although an annual review might sound like better protection on the face of it, it becomes largely a fiction.

Shabana Mahmood: I am surprised that the hon. Gentleman would describe parliamentary debate and holding the Government to account as a fiction. I do not think that having an annual debate is a fiction. It is important that we give right hon. and hon. Members the chance to hold the Government to account, to review how the powers have been used throughout a particular year, and to take a view on whether the risk is such that we still need an exceptional system of rules outside the criminal justice system. I do not believe that those debates are a fiction.

Mr David Davis (Haltemprice and Howden) (Con): Does the hon. Lady accept that using intelligence-based evidence, such as evidence obtained under torture, evidence from foreign countries or unchecked intercept evidence, leads to a greater chance of a miscarriage of justice? The reason I raise that point now is that we did not once, in the course of all the so-called reviews of the control order legislation, hear about any miscarriages of justice. Of course, there were several, as was demonstrated by the courts.

Shabana Mahmood: I am grateful for the right hon. Gentleman's intervention. In the end, we must accept that there is an irreducible minimum number of cases in which the intelligence tells us that a serious risk is posed by an individual and they have to be dealt with, but they cannot be brought within the criminal justice system.

We must accept that we need a system for mitigating that risk and for bringing those individuals under some form of control to prevent them from attack planning, which might lead to the loss of innocent lives.

Dr Huppert: I thank the hon. Lady for giving way; she is being very generous. I was interested in her answer to the hon. Member for Islington North (Jeremy Corbyn) about alternatives. Does she agree with the shadow Home Secretary that:

"There are cases where police bail can, of course, be used"?—[*Official Report*, 7 July 2011; Vol. 530, c. 1688.]

Alternatively, does she prefer the line that she used in the Public Bill Committee that police bail is not the way to deal with such cases?

Shabana Mahmood: I note that the hon. Gentleman's amendments on police bail did not make the selection list today, so we cannot continue the debate on it that was begun in Committee. I simply repeat to him the position as it was stated in Committee. There may well be some cases in which it is possible to consider whether police bail might be an answer, but I do not believe that that would be possible in the vast majority of cases. That is not the view of the experts, including the individuals who looked into the matter under the last Labour Government. That was why the control orders regime was deemed necessary.

5.30 pm

I also say to the hon. Gentleman that when an individual is put on police bail, it is with a view to bringing a prosecution. If that process were started in the knowledge that the intelligence could never be converted into evidence, applying for police bail would be a sham. I am not sure that many judges would let an individual get away with that.

Richard Fuller *rose—*

Mark Durkan (Foyle) (SDLP) *rose—*

Shabana Mahmood: I am going to make some progress. I have been quite generous, and I will take some more interventions a little later.

On annual renewal, covered in new clause 7, there is a symbolic and practical importance to Parliament asking itself every year whether the powers that it has given the Home Secretary are still necessary and in holding the police and the Government to account for how those powers are used. That is an important measure of checks and balances. As we discussed in Committee, it also concentrates the mind. It requires the police and everybody else to consider regularly whether we truly need these powers, whether the risk is such that we cannot do without them and whether some mechanism might present itself that would enable more people to be brought within the criminal justice system rather than be kept outside it.

Our debate in Committee featured the idea of exceptionalism—the idea that these powers are an exceptional part of our legal framework and should not be permanent. Of course, the Bill did not originally have the provisions of new clauses 3 and 4 in it, and I am grateful that the Government have made some movement and taken on board some of the arguments made in Committee in support of more regular review and renewal of the powers. However, I do not believe that the new clauses go far enough, or that review every five years would meet our concerns about how the Bill and the new TPIMs regime will operate in practice.

There are a number of reasons for our concerns. The first, which the Minister touched on, is about resources. We have real concern about the additional resources that the police have said will be required under the new regime because there will be a higher risk under TPIMs. We are concerned about how they will be deployed and come on line ready for the police to use. Given that uncertainty, annual renewal and an early opportunity for Parliament to consider how the new TPIMs regime is getting on would be very welcome. It is necessary also because of the draft Bill that the Government printed only about four days ago as it would bring control order powers back into the system by way of emergency legislation. We have a number of questions about how that alternative regime may operate, which we will come to in the next group of amendments.

Dr Huppert: I am fascinated by what the hon. Lady says about her desire to review the legislation. It seems that we are perhaps talking at cross purposes about the role of a sunset clause. I would like one because I would like TPIMs to go the same way that I want control orders to go. It sounds like she wants a review so that she can bring the subject of TPIMs back up and make them more draconian. Is that why she would like a review?

Shabana Mahmood: A review is an opportunity for Parliament to take stock of how the regime has operated over the course of one year, and to decide whether it wants to give the Home Secretary those powers to use for another year. Obviously, Parliament is the right place to debate any new circumstances that bring about the need for more powers.

Hazel Blears: Does my hon. Friend agree that the way to approach such issues is to consider the balance of risk, rather than simply to adopt a fixed position, as the hon. Member for Cambridge (Dr Huppert) appears to have done? We should then consider how to get to a position in a series of steps. Clearly, the questions are these: what risk faces the nation from a terrorist threat, and what are the appropriate, proportionate powers to protect the public? That ought to be the analysis. We should not seek constantly to chip away at powers when that might expose us to a greater risk.

Shabana Mahmood: I agree with my hon. Friend on the starting point for debate. When Parliament considers such matters, it must consider the balance of risk and ask serious questions about how that risk is managed. That should always be the starting point of hon. Members as responsible parliamentarians when we consider exceptional powers that do not exist in other parts of our legal framework. We are also committed to saying that in an ideal world, we would not need such powers, but unfortunately, we are not in an ideal world—*[Interruption.]* Does the right hon. Member for Haltemprice and Howden (Mr Davis) want to intervene?

Mr David Davis *indicated dissent.*

Shabana Mahmood: The right hon. Gentleman does not, so I shall press on.

I spoke of the draft Bill that the Government published a few days ago, which seeks to introduce control order powers by way of emergency legislation. That Bill, which we will discuss at length shortly, raises many questions, and an early opportunity for Parliament to take stock of the operation, implementation, practice and working of that regime will be welcome.

Richard Fuller: The hon. Lady is being extraordinarily generous in giving way. The question that I should like to ask is from the perspective of the people who are under control orders and similar restrictions. Such people have not been brought to trial and no evidence has been presented to them to substantiate the reasons why they are under such restrictions. She is advocating annual reviews, and increases as well as decreases in powers, but has she considered the commentary on the mental health implications for the people who are subject to control orders? In that regard, does she believe that some period of certainty for those people on how they will be treated will be welcome?

Shabana Mahmood: The first part of the hon. Gentleman's intervention makes my point for me. This is about the balance of risk. It is in the interests of those who are under control orders for Parliament to look at such measures at regular intervals rather than once every five years. His intervention supports rather than goes against my point.

Richard Fuller *rose—*

Shabana Mahmood: I shall make some progress, because I am about to wind-up on new clause 7.

The Minister spoke of the comments made by my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins) on Second Reading. My right hon. Friend spoke powerfully on the merit of reaching a settled position on such measures, but I should tell the Minister that given what has happened in the past few days, we are clearly not at a settled position on the Bill. In fact, the Government unsettled matters further by introducing the draft Bill a few days ago. For that reason, the Opposition believe that an annual renewal measure is merited and needed now more than ever, and we shall later seek to press new clause 7 to a Division.

I am grateful for the Minister's comments on amendment 20, which is in my name and those of my right hon. and hon. Friends. He updated the House and told us from the Dispatch Box that the police say that they will be able to meet the increased risks that we face under TPIMs with the additional resources, but I am afraid that I do not feel reassured by what he said, and we need to consider the matter in greater detail in the House this evening.

By way of background, I should add that amendment 20 began life in Committee, as the Minister noted, and was introduced following evidence given to the Committee by Deputy Assistant Commissioner Osborne, the national co-ordinator for counter-terrorist investigations. It is important to consider his evidence in detail. He was asked by my right hon. Friend the Member for Salford and Eccles (Hazel Blears) about the time scales that he was working to in relation to the TPIMs regime, given that we have the Olympics next year, which is a particular concern. He said:

> "To get the resources that we anticipate we need will take more than a year, in terms of being able to get people trained and to get the right equipment. Until we have got that, we will not be able to start to bed things in and see how it works and how it transpires. It also depends on how many people actually go on to the TPIMs regime and how many people come off it. There are a lot of inter-dependents there. The control order put people in the protect and prepare part of the Contest strategy. TPIMs moves them back into the pursue element of the strategy, which is a slight paradox because it was only due to the failure to get sufficient evidence to prosecute them that we moved them into the control order in the first place

He was asked further questions about resources by the hon. and learned Member for Sleaford and North Hykeham (Stephen Phillips). He asked why Mr Osborne was saying that it would take a year for the new regime to bed in, to which Mr Osborne replied:

> "I think I said it would take a year to procure and train sufficient additional assets before it would be ready to do that. We have to order some of the assets so that they are made in advance. To train a surveillance officer and then have them fully able to operate in a challenging environment probably takes at least 12 months before they are deployable. Once they are deployable, they have to work within the environment under a new set of regimes that will need to bed in."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 21 June 2011; c.9-10.]

That important evidence is the reason I moved the amendment in Committee and why I tabled amendment 20 for debate today. I was extremely concerned about the position on resources. The evidence from Mr Osborne was obviously stark, and it raised in my mind the spectre that if the Bill were passed by the end of this year, as we anticipate it will be, we would create a concerning situation: the additional resources required to meet the increased risk might not be deployable, and if they are, it seems they might be only partially ready. That is not, to my mind, a satisfactory state of affairs. The amendment therefore seeks to prevent the Bill from coming into force until the resources are online and would put in place a mechanism by which to get agreement between the national co-ordinator and the Home Secretary on the additional resources required and to get them ready and online.

Mr Sutcliffe: My hon. Friend, who is making a forceful point, will remember Lord Carlile's evidence to the Committee about the cost of surveillance. He said that the new TPIMs regime will increase the amount of human surveillance and that we could be talking about £18 million. We have not heard anything from the Minister about Lord Carlile's evidence. Is that another area of concern for her?

Shabana Mahmood: I am grateful to my hon. Friend for his intervention. I entirely agree that the additional costs of the TPIMs regime are of concern, given the much lower cost of the control order regime, and I invite the Minister to explain how that correlates with the draft emergency legislation. Presumably, the additional resources might not be required in those circumstances. We need greater clarity about the costs that might arise in that situation.

When I asked the Minister, in relation to amendment 20, about the one year that it takes to train up a surveillance officer, he said, "We're not just looking at human resources",

but it is clear that Mr Osborne—this is why I read out his responses—was not just talking about human resources either. He was talking about hardware, software and money resources too, and it was his considered opinion, put on the record of the House, that all those resources would take more than one year to come online.

I have to say that the Minister's explanation—that not only are we looking at surveillance officers, but somehow this process can be managed with technology as well as anything else—does not give us the reassurance that we need that all the resources will be available, a point that I put to the Minister in Committee as well. I am not a very technical person—I often describe myself as a "tech-know-nothing". However, after we have worked out what hardware is required, it will then need to be designed, procured and made, a process that I imagine would also take some time and could not happen overnight. Again, we do not have any clarity that those assets will be ready by the time the Bill comes into force.

5.45 pm

We are in a position where Parliament is being asked to pass a Bill when there are real concerns about whether the increased risk that it poses can be met by the Government and the police. Our amendments seek not to frustrate the purpose of the Bill, but to reassure the House and, perhaps more importantly, the public that we will be ready for the new regime when it comes online. They therefore offer a practical way to try to deal with some of the issues that have been raised in Committee and which will be of great concern to the public. I never thought that I would say this, but I can pray in aid Lord Howard, the former Home Secretary, in support of my case for amendment 20. He, too, gave evidence to the Committee, saying:

> "If the police evidence is that it will take them a year to prepare, that evidence has to be respected. Obviously, it is important that arrangements remain in place until the moment arrives when the new regime can be effectively introduced."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 21 June 2011; c. 27, Q84.]

That is exactly the purpose of amendment 20.

Hazel Blears: I, too, think that my hon. Friend is making a powerful case on resources. This is a practical issue, irrespective of the principal differences that we might have on different sides of the House. Does she regard the assurances that the Minister has received from the Metropolitan police as sufficient in the circumstances? Would she welcome some written evidence from the Minister and the Metropolitan police about the time that it will take to procure those resources, both human and electronic, and the period in which they can be ready to meet the increased risk caused by the TPIM legislation?

Shabana Mahmood: I entirely endorse my right hon. Friend's comments. The House needs much more detail, given that there now seems to be a big difference between what Deputy Assistant Commissioner Osborne told us in Committee and what the Minister is telling the House today. A written explanation needs to be put before the House when we are working out whether we buy this new line that the resources will, in fact, be ready. If that information is forthcoming, it is important that it should be about not just the human resources, but the hardware, software and other assets, as well as the money. I appreciate that some of that information might be constrained, but surely it would not be too difficult to allay any fears that the House might have about the time that it takes for such resources to be either trained up or procured and developed.

Mr Mark Field: The hon. Lady is making a fair case, but in view of the fact that we are now 11 months in advance of the Olympic games, which is clearly the big cloud in the sky when it comes to these issues, is she really suggesting that we should keep to the control order regime until the Olympics are behind us and only then change, or does she think that there is any chance of the procurement that she is looking for taking place within that time frame, such that the process will be "online", as she puts it, before July next year?

Shabana Mahmood: The short answer is yes. We have retained the control order regime until the end of this year, which was a decision that the coalition Government took to give themselves a chance to bring forward their legislation. I do not think that an amendment that seeks to make that legislation better—or at least allay concerns that the public might have about the dangers that it poses—should somehow mean that we dump control orders and just have a gap. We could quite easily carry on with control orders until the new resources were ready to be deployed, which is exactly what the amendment envisages.

Bob Stewart (Beckenham) (Con): I have been a watcher. It takes a heck of a long time to train someone to become proficient in watching an individual. I fully support what the hon. Lady is saying. We cannot just do this overnight; it is going to take a long time. I am really worried by what the Minister said about the Metropolitan police saying that they could do all this now, when Mr Osborne said that it would take a minimum of 12 months to establish.

Shabana Mahmood: In that case, I hope that the hon. Gentleman will support amendment 20. He has made my case for me.

Bob Stewart: May I do so while holding my nose?

Shabana Mahmood: I am grateful to the hon. Gentleman for giving me that indication. I am also grateful for his support. He was of course a fellow member of the Public Bill Committee.

Mr McFadden: Does not this go to the heart of the issue? It is risky enough to legislate, as the Government are proposing, to give terrorist suspects increased freedom of movement and increased access to mobile phones and the internet, and then to admit, as the Government do, that this will put increased pressure on the police and the security services, without also trying to implement the legislation before the police and security services are fully ready to cope with the increased risk. Does my hon. Friend agree that, if the Government do not produce better evidence of the capability of the police and security services to meet this increased risk, they will be adding irresponsibility to increased risk for the public?

Shabana Mahmood: I entirely endorse my right hon. Friend's point, which reminds me that, under the Bill, access to electronic communications must be provided to suspects. One of the justifications for that is that the suspects will be monitored in that way, and the equipment will be provided by the Home Office. Presumably, some kind of software or hardware wiring will be needed to enable the suspects to be traced, and to listen in on conversations. Again, I do not believe that those technical assets could be procured overnight, especially given the different kinds of asset that might be needed to deal with different kinds of risk.

Richard Fuller: I fear that Opposition Members might be trying to scare Members of Parliament when there is no real justification for doing so. In Committee, the hon. Member for Bradford South (Mr Sutcliffe) spoke of increased threats, saying:

> "I visited some of our prisons and I saw some of the terrorists who had been prosecuted, and they really are scary people. Next year, a large number of them will be released on licence, and they will be back in society, so the threat is always there."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 23 June 2011; c. 55.]

Does not that show that our police and security forces are constantly having to meet these threats? If the police feel comfortable managing people who have been convicted and are coming out of prison, this modification of control orders into TPIMs is a minor issue in comparison. The hon. Lady is building this issue up into something that it is not.

Shabana Mahmood: I entirely disagree with the hon. Gentleman. In fact, he almost makes my point for me. The police do an incredible job of trying to protect us from the serious risks that we face, not only from the individuals who are or have been subjected to a control order, but from the many hundreds, possibly thousands, more who are of interest to them in their investigations into potential terrorism offences. The risk is always there, which is why we had to bring in the control order regime and why we believe those powers are necessary. Elements of the Bill decrease those measures in such a way as to increase the risk. We are told that the risk can be mitigated by the additional resources, but it cannot be eliminated. We have a real fear that those additional resources will not be ready by the time the Bill comes into force. For that reason, amendment 20 would reassure the public; its purpose is really no more than that.

Dr Huppert: Will the hon. Lady give way?

Shabana Mahmood: No, I am about to finish my speech.

I note that the Government have made some movement in the right direction in relation to the review and the sunset clause, but I do not believe that that goes far enough. We need the extra check and balance that would be provided by annual renewal, so I am minded to press new clause 7 to a vote, and unless the Minister gives us further reassurance about the resources, I shall also be minded to press amendment 20 to the vote.

Dr Huppert: It is tempting to spend a while talking about risk, as that is a theme that lies behind this debate. Opposition Members have not mentioned the risk we create by treating people who have not been convicted of an offence as though they have been so convicted. In some cases, people who have been found not guilty in a court of law have immediately had a control order slapped on them. There is a risk involved in such cases. We have also heard the slightly lazy assumption that all the people who are suspects in these circumstances are dangerous. We know that some people have been completely exonerated. For example, Cerrie Bullivant, to whom I spoke earlier today, was not a risk, yet he was punished as though he was, for a very long time. Instead, however, I will talk about the purpose of sunset clauses.

Mr David Davis: Before my hon. Friend leaves the issue of risk, may I suggest that we need to tackle this matter head-on? During the course of the control order regime, the number of people of interest to the security services started at 1,600 and grew by 25% per annum, until the numbers rose above 4,000 and the agencies got too embarrassed to announce them. Does my hon. Friend accept that the control order regime and everything that went with it were so heavy-handed that they actually increased radicalisation rather than reducing it?

Dr Huppert: My right hon. Friend is absolutely right. That speaks volumes about how ineffective control orders and the whole panoply of tools used by the previous Government were. It also highlights why the points about the extra resources needed by the police do not really matter. If there are 1,600 or 2,000 or 3,000 people of great interest to the security services, I hope that the services are occasionally looking at them; otherwise, their interest cannot be very great. If those people are actually dangerous, resources should be available, as the extra resources to deal with a relatively small handful of people are a drop in the ocean.

Jeremy Corbyn: I agree with the hon. Gentleman's point about control orders, but will the TPIMs regime be any better?

Dr Huppert: I thank the hon. Gentleman for his excellent question. My short answer is yes; my longer answer is: by a bit. This is not the solution that I would most like to see, but it is a step in the right direction. I wish that we could go further, and perhaps the other place will be more able to achieve that than we are here. Perhaps the more enlightened Labour peers will take the hon. Gentleman's perspective on this matter, rather than that taken by those on his Front Bench.

I move now to the subject of this group of amendments, which deal with sunset clauses. I argued in Committee that there were four reasons for having such clauses. One relates to debating the issue in question every year; another is about having a vote every year. As we have said, that method has not turned out to be very effective. It has been very much a token gesture. Although it is nice to see it in place, it has not really delivered. We still have the ability to debate this matter at any time, if some other change takes place. particularly in the light of the Government's new approach to Back-Bench debates, Similarly, the Government could get rid of TPIMs at any time, as could any future Government. Five years is a maximum, not a minimum. The annual review has simply not been an effective tool, which is a great shame. It does not work very well, and Parliament should look at how effective it is at doing things like that.

The Government think that the review provisions are a really good thing. I would like to see them happening seriously and in detail, but the level of review that has happened under this Government cannot happen every year. It did not do so in the past, to that level. There was a quick look, and a quick renewal. That is not what we want. We want to look underneath what is happening, rather than simply taking the easy option.

I have asked the Minister and the shadow Minister whether, if either of them is in the next Government, they will ensure that a proper review is carried out. If I am in the next Government, I will do my very best to ensure that that happens—[Hon. Members: "Hear, hear!"] I am delighted to hear that that has support on both sides of the House; we will have to see what happens. I would do my best to ensure that there was a review that moved us closer to the position that I would like—namely, a lower-risk solution that was also better for civil liberties.

Mr Mark Field: Does the hon. Gentleman not realise that this gets to the nub of the problem—that there is a distinction between would-be or former members of the Executive, whose view is almost "If only you knew what I know now", and many other parliamentarians and indeed the public outside? That disconnect is one of the most dangerous elements of the entire debate.

6 pm

Dr Huppert: The hon. Gentleman is right. I have always been uncomfortable when someone says, "I know better, so just do exactly what I say." I am never comfortable with that as a form of argument, partly because it is very hard to rebut. In many ways, it is the central argument behind control orders—when the state tells someone, "I know what you've done, but I'm not going to tell you what it is or how I know; we're just going to assume that you have done this."

Mr David Davis *rose—*

Dr Huppert: I will take one more intervention, but then I would like to make some progress.

Mr Davis: I hope that the hon. Gentleman will forgive me for intervening a second time, but on this point of "We know better than you", the real problem with reviews has not been the timing so much as the quality of the information provided. We know that there have been miscarriages of justice, as the hon. Gentleman has mentioned, but these are never mentioned in any reviews. We also know from the evidence of the last few days that the control orders were used in effect to immobilise Libyan dissidents to suit our foreign policy in dealing with Colonel Gaddafi. This is the sort of thing we in the House should know about; the failure is not about time, but about the quality of the information provided to us.

Dr Huppert: Indeed. I thank the right hon. Gentleman for his comments. He pre-empts something I was planning to say later about the Libyan issue, which is a very serious one, as it seems that the Government might have acted perhaps using some of these tools on behalf of another power. I hope that the Minister will be able to assure us that that has never happened, and also assure us later than none of the evidence under which people have been subject to control orders has come as a result of torture in Libya. We have heard some astonishing stories; I look forward to hearing the Minister's comments about this either now or later, if he has time to check the facts.

The other purpose of a sunset clause is to flag up the fact that something is exceptional and should not be a regular part of our law. We do not have a sunset clause on theft and we do not have one on the vast majority of things because they are standard. This is an exceptional measure and we need to flag it up. That is why I am so pleased that the Government have accepted the argument. We should be very concerned when we step outside the normal bounds.

I disagree entirely with the comments made by the hon. Member for Bradford South (Mr Sutcliffe), who I believed to be a shadow Minister but who appears to be sitting on the very Back Benches. I do not know what that says about his position and standing. *[Interruption.]* I hope he will move towards the front rather than withdraw to the back. I withdraw any aspersions I may have cast on the hon. Gentleman in what I said; I was merely surprised by his location. In Committee, he said:

> "Unfortunately, there are times when people have to be outside the legal framework."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 23 June 2011; c. 57.]

I disagree with him completely and utterly on that. I think we have a legal framework for a reason, and once we start saying that people should be outside it, we are on very dangerous grounds.

Hazel Blears: Throughout the Bill's passage through Committee, my respect for the hon. Gentleman grew.

Mark Tami (Alyn and Deeside) (Lab): Mine didn't!

Hazel Blears: Credit where it is due! I think the hon. Gentleman takes his own very principled position. He does not believe that Executive orders should be made in an administrative capacity but that we should use the criminal justice system for every eventuality. That is a principled viewpoint and a perfectly legitimate one to hold. I would, however, press the hon. Gentleman, because some of the language his party has used is redolent of a totalitarian regime. We have heard about internal exile, house arrest and goodness knows what. There is judicial oversight at every step of the process relating to control orders. There are judges of the High Court and the Court of Appeal, special advocates; and the people subject to the orders have to be given the gist of the case against them. We have had a series of legal judgments. We are not operating in a kind of totalitarian regime without intense judicial scrutiny. Surely the hon. Gentleman would agree that this legislation has been subject to more litigation, examination, test, test and test than any other legislation in our legal system. His principled position is perfectly arguable, but I hope that he is not saying that this country does not have intense, high-level judicial scrutiny of these very contentious and important matters.

Dr Huppert: I thank the right hon. Lady for her kind comments. It is clear that we come from very different principled positions; we disagree at the level of principle, not just at the level of detail. She is absolutely right to say that there is indeed a lot of judicial oversight and a

[Dr Huppert]

number of checks and balances, not all agreed to entirely voluntarily by the previous Government. The judges sometimes had to take quite active steps about the gist of the case. I do not think special advocates provide the best way of doing this; I would like people to know what they are accused of. I will agree to the right hon. Lady's request and try to remember to talk about "internal exile with judicial oversight". I will try to remember to use that full phrase if it would please her.

These powers are exceptional. They are not what we want. We should strive harder to find ways that fit within the legal framework to make this case. I would have liked to talk later in great detail about police bail, but I am afraid I shall not be able to. I still think it is the right way forward. *[Interruption.]* It sounds as though there is some support from others. I hope that their lordships will have a chance to look at that. I still think we could make that system work extremely well.

I am pleased to see the Government new clauses 3 and 4 and consequential Government amendments 11 and 13. I am delighted that the Government have accepted the need for a sunset clause. I thank the Minister for doing that. It is always a great pleasure when the Government take up something that a Back-Bench Member has argued for. I am very pleased indeed.

I deal now with new clause 7, proposed by the hon. Member for Birmingham, Ladywood (Shabana Mahmood). She has tried to come up with this sort of amending provision on a number of occasions. It is good to see that there are no obvious flaws in this one, but I just disagree with it. I would love to have a proper, carefully thought-through review every single year, but I do not think it will happen. It has never happened in the past and I believe it is more valuable to have a serious piece of work, seriously looking at whether we could reduce the amount of extraordinary legislation, carried out every five years than it is to have a token review every year. I respect the hon. Lady's position in wanting a review every year, but I disagree with her in that she wants to revise it upwards every year—

Shabana Mahmood: Or downwards.

Dr Huppert: Indeed. I definitely disagree with the idea of it going up every year. I accept her principles, as I say, but I think that doing it properly every five years is better.

I disagree in principle, however, with amendment 8, which has not yet been spoken to, but may be later, and amendment 20. These are, I am afraid, a last-ditch attempt to keep control orders going for as long as possible. We do not want that to happen. We do not want control orders, and all the problems associated with them, lasting longer than they have to. They should be stopped as soon as possible.

Shabana Mahmood: Does the hon. Gentleman recognise that the amendments, as drafted, envisage that the TPIMs regime will come into force and that they seek only to delay it until the resources are ready? They do not seek to keep control orders for ever more.

Hazel Blears: I accept that these are delays; they are not about permanently keeping the orders. We will, of course, see how the vote works out. The amendments are nonetheless a last-ditch attempt to keep the orders going for a few more months or a couple more years or a little bit further. I do not want that.

Mr Sutcliffe *rose—*

Dr Huppert: I am delighted to give way to the shadow Minister.

Mr Sutcliffe: I thank the hon. Gentleman for giving way. Is he satisfied by the Minister's response about the assurances from the Metropolitan police? The hon. Gentleman will accept that this was a key point that we all raised in Committee. Is he prepared to accept the Minister's words as outlined? Would he not prefer to see some written evidence or some written response from the Met to confirm that it is or can be ready?

Dr Huppert: I thank the shadow Minister for his comments and apologise again for any criticism I might have made earlier about his seating. I do trust the Minister on this one. I am sure he would not have told the House something that the Metropolitan police had not told him was the case. I am sure he will be able to confirm that. I do have faith that the Metropolitan police have said this, if the Minister says they did.

I see amendments 8 and 20 as an attempt to keep control orders going for that last gasp. The gasp is not very long; it might not be a full five or 10-year gasp, but it is still a gasp and one gasp too many. I shall not support those amendments.

I believe we have made progress. The Government amendments take us a stage further. I am delighted to support them and look forward to hearing other contributions to the debate.

Keith Vaz: It is a real pleasure to follow the hon. Member for Cambridge (Dr Huppert), a member of the Home Affairs Select Committee, and to wish him well in his ministerial career. I know that the hon. Member for South Ribble (Lorraine Fullbrook) and I, who are with him every Tuesday, will want that to happen as soon as possible—but not before tomorrow, when, as he knows, we start our inquiry into the London riots.

In four days' time, on its 10th anniversary, we shall remember the events of 9/11. The weekend newspapers were full of terrible accounts of what happened that day and of the stories of the survivors. The House discusses terrorism and its prevention in a measured, careful and sober manner, and I hope we shall do so today as we consider amendments and debate important issues.

I was not a member of the Committee that considered the Bill, and—mea culpa on behalf of the Home Affairs Committee—I am afraid that our agenda has been so full over the past two years that we have not had an opportunity to scrutinise this aspect of policy properly. We hope to make up for that next Tuesday, when we begin our inquiry into the roots of radicalism. The right hon. Member for Haltemprice and Howden (Mr Davis) talked of the need to understand why people become radicals. Next week our Committee will take evidence from the chairman of the United States committee on homeland security, Congressman Peter King. We hope to be able to present to the House in six months' time—this will be a long and weighty inquiry—our views on what constitute the causes of terrorism, and on how we can deal with them.

Jeremy Corbyn: I welcome the inquiry that is to be undertaken by my right hon. Friend's Committee. May I ask him also to consider the fact that the country has had renewable emergency anti-terrorism legislation for 37 years, that the legislation has always been renewed six-monthly, annually or after whatever period has been specified, and that on each of those occasions we have moved further from the principles of absolute equality and transparency before the law and further towards a degree of Executive power? Does my right hon. Friend not think that it is time to turn the clock back in favour of openness and transparency, through the use of criminal law and criminal law alone?

Keith Vaz: I am sure that we shall touch on that subject. We are, of course, primarily concerned with the question of why people become radicals and what system makes them behave as they have behaved, but the way in which legislation is—in my hon. Friend's view—rushed through Parliament might well be one of our considerations.

I think it healthy for the House to have heard the comments of my hon. Friend, of the hon. Member for Bedford (Richard Fuller) and of the hon. Member for Cities of London and Westminster (Mr Field), who observed that when Parliament discusses these matters the measures concerned go through on the nod. I believe that the role of the Opposition—my hon. Friend the Member for Birmingham, Ladywood (Shabana Mahmood) did a very good job in this regard—is to scrutinise and probe the Government, and that is exactly what happened when this Minister was the shadow Minister. Perhaps we regret not being more robust on issues of this kind when we are in opposition, but I hope that that will happen now. The five-year period for the review is probably too long; we need to consider it earlier and much more objectively, and that might be one of the issues that we can examine as the debate progresses.

I have three points to make. The first concerns the process that the Government appear to have adopted. I hope that the Minister will reassure me about something about which he did not manage to reassure me when I probed him earlier, namely the role of Lord Macdonald. I understand that Lord Macdonald was appointed by the Government to review legislation. As a former Director of Public Prosecutions and a distinguished lawyer, he is someone whom I think we ought to consult as we present new proposals. Has he seen the Bill, and, if so, what were his comments on it and on the changes that have been made in the last few days?

The same applies to Lord Carlile, who gave evidence that was diametrically opposed to that of Lord Macdonald. He wants to keep control orders, but, as colleagues will recall, when he appeared before the Select Committee he proposed a three-tier structure that he felt could replace them. Will the Minister enlighten the House on the process that was adopted, and confirm that there has been widespread consultation with the very people—Lord Carlile and Lord Macdonald—whom the Government believed could contribute to the discussion?

6.15 pm

The second issue arises from what was said by my right hon. Friend the Member for Salford and Eccles (Hazel Blears). I refer to the evidence given to the Committee about resources. I do not want to dance around the subject—I will be quite straightforward with the Minister—and I do not seek to make a party political point, but I think that the Minister will feel much more able to defend the Government's proposals if he has the comfort of knowing that the Metropolitan police have revised their view.

We realise that there has been some change at the top. The former head of counter-terrorism, Mr Yates—who, of course, ought to have been writing the letters concerned—is no longer in his post. There is now a new head of counter-terrorism, Cressida Dick, whom we have not had the opportunity of bringing before the Committee, although we hope to do so during our inquiry into the roots of radicalism. However, I think that, to protect himself and to reassure Parliament, the Minister ought to receive a letter of comfort. If he does not write to ask whether what DAC Osborne said has been replaced by new assurances, I shall probably do so myself.

Like the hon. Member for Cambridge, I have a great deal of time for the Minister. I trust and value what he says, and I do not believe that he would come to the Dispatch Box and say that he had received assurances from the Metropolitan police if he had not. However, some of us need to be convinced. Mr Osborne is, after all, the deputy head of counter-terrorism in the Metropolitan police, which is quite a senior position. If he has given evidence that has subsequently had to be adapted because of whatever has happened in the last few weeks, let us have confirmation of that letter. If the Minister says that he is prepared to take such action, he will reassure me and, I believe, other Members.

My final point relates to the need for us to be able to scrutinise anti-terrorism legislation without feeling nervous about doing so. Let me give credit to my hon. Friend the Member for Islington North (Jeremy Corbyn), who has been in the House for longer than I have. Even under a Labour Government, he and I went into opposite Division Lobbies to vote on anti-terrorism legislation, because he was prepared to scrutinise and to ask his questions. That is really important.

Only the hon. Member for Beckenham (Bob Stewart), given his vast experience in the security services and the armed forces, will have the kind of practical experience that is necessary in cases such as this, and he will talk on the basis of that experience. I do not mean to insult anyone in the House, but the rest of us are mere politicians, and we do not have that kind of experience. It is obviously valuable to hear from people such as the hon. Gentleman. That is why it is important for there to be proper scrutiny and for evidence that is given to Select Committees or other Committees of the House to be accurate, so that when we decide on the legislation we can be above party politics in dealing with terrorism issues, as I hope we always can be.

We should be mindful of the fact that whatever resources we put into counter-terrorism, there are those outside who have the time, the space and, in some cases, the fanaticism to be able to challenge what we do, and we should always be extremely cautious in dealing with issues of this kind.

Paul Goggins: it is a pleasure to follow my right hon. Friend the Member for Leicester East (Keith Vaz), who always speaks with great wisdom and judgment on these issues, and who chairs the Home Affairs Committee.

[Paul Goggins]

I do not intend to detain the House long. We have already had a good debate on the amendments. The Minister quoted remarks that I made on Second Reading; he quoted them accurately, and I stand by them. I believe that the terrorist threat that we face is one that we are likely to face for a considerable time, that the emphasis should be on trying to reach a consensus on what we should do about it, and that, if we can reach such a consensus, we should make provisions and make them permanent.

I do not think for a minute that making provisions permanent means that everyone will forget about them; far from it. There would still be an opportunity for Government reviews if Ministers felt that that was appropriate. My right hon. Friend would still have his Select Committee inquiries, and he might well pick counter-terrorism as one of the issues to be discussed. I venture to suggest that no one would silence my hon. Friend the Member for Islington North (Jeremy Corbyn) if there were not an annual debate on the renewal of counter-terrorism provisions. All those things would still happen—and, as the hon. Member for Cambridge (Dr Huppert) pointed out, legislation could be repealed at any time. That option is always open to the Government. Therefore, in saying that I believe that such provisions should be made permanent, I do not believe that we should take our eye off the ball or stop considering and scrutinising those things, although I tend to agree with Lord Carlile that the sense that annual renewal is part of the scrutiny process is a "bit of a fiction".

It is evident, however, that we do not have consensus on the Bill. In fact, I venture to suggest that the gap between us is larger now than when we started to consider the Bill. We have seen the issues that are at stake, so the differences between us are quite substantial.

I welcome the steps that the Minister has taken to bring forward the opportunity for review and renewal by each Parliament. I also welcome the amendment proposed my hon. Friend the Member for Birmingham, Ladywood (Shabana Mahmood) that calls for annual renewal. Even more important, I support her amendment 20, which would not allow any of the provisions to come into operation before the resources were clearly in place and the police and Security Service were signed up to that.

My amendment 8 is intended to be a practical amendment to give absolute clarity in relation to the implementation and commencement of the Bill. My concern throughout the passage of the Bill—on Second Reading, during the Committee stage, during the summer and still now—is that the Bill weakens protection. It is not as robust as what went before it. When we add that to the likely threat and risks that we will face next year, the year of the Olympics, which we celebrate and want to be a great success, we have a toxic mix that could put lives at risk.

Let us look at the facts. We know that 12 individuals are subject to control orders. We know from the Minister's latest report to the House that three of those individuals already reside in the Metropolitan police area. We do not know where the other nine would call their home, but we suspect that a large number of them are from the London area, so that would be a huge move back to London by people who are very high risk individuals indeed, when terrorists who have been convicted of serious crimes are coming out of prison. I have had answers from Ministry of Justice Ministers showing that 45 convicted terrorists will have a release date in 2010-12, or at least that is the earliest release date. Add those potential 45 to the potential 12 and all their associates, and we have a substantial risk. To take that risk when we could delay the implementation of this Bill is a risk too far.

Bob Stewart: Surely anyone under a control order or under TPIMs is under surveillance. It would be very silly for someone under surveillance to do something related to terrorism because it might be found out. I would have thought that, once someone was under TPIMs or under control orders, their chances of being an active terrorist were hugely reduced. Does the right hon. Gentleman agree?

Paul Goggins: I commend the hon. Gentleman for his earlier comments on surveillance, the need to ensure that people are properly trained and the need not to pretend that we could introduce the level of skill that is required in a very short time. It takes time to train an individual. There is no perfect solution, because someone who is under surveillance can, if they are very skilled, slip that surveillance until such time as the people carrying out the surveillance catch up with them.

Bob Stewart: Some people have got away from control orders, and that is likely to happen again under TPIMs.

Paul Goggins: If the hon. Gentleman is referring to people who have absconded from their control order, I think he will remember from our discussions in Committee that that relates principally to the very early days of control orders. From recollection, there has not been an abscondence for four years, and that related largely to foreign nationals who were the subject of control orders. However, he made a powerful point earlier on the need to ensure that people are properly trained to carry out surveillance.

Given the toxic mix that I described, on 11 August I raised with the Prime Minister the possibility of delaying this Bill—certainly some elements of it in relation to relocation. He said that he would look "carefully and closely" at what I said. I have written to him since. I have not yet had a reply but I hope that I will soon. I will look carefully at his argument if he, as the Minister earlier suggested he would, sticks to the Government's current position, because I think that that is a risk too far.

I am happy to pay tribute to the principled position that the hon. Member for Cambridge holds and sticks to doggedly. It is different from the principled position that I hold but, because he is consistent it allows us to have a good debate. He accused me of using amendment 8 as a last-ditch attempt to keep control orders going. I humbly put it to him that that is not the case. I believe that the risks associated with the early introduction of this weakened legislation, in a year of great risk, are too great. I join hon. Members on both sides of the House when I put public safety above all else.

Mark Durkan (Foyle) (SDLP): Listening to the debate and arguments about the comparative merits and demerits of TPIMs compared with control orders, and listening to the exchanges on whether a sunset clause for five years

is better than annual review and renewal, I am reminded of what Talleyrand is meant to have said about Voltaire and Robespierre: when I think of either, I prefer the other. We are all caught in a situation where there are clearly problems with control orders, but we should be under no illusions: there will be serious problems with TPIMs too—problems of principle and of practice.

May I deal first with the sunset clause and the question of renewal? I have a lot of sympathy with the argument of the hon. Member for Cambridge (Dr Huppert) and others that the practice of Parliament in annual renewal and the Prevention of Terrorism Act 2005 has not exactly inspired huge confidence in the robustness of that challenge or the thoroughness of that review. But just because Parliament has perhaps had a habit of being derelict in its duty in relation to annual reviews, we do not have the right to dismiss the case for subjecting measures as exceptional as these are to annual review.

We are always told that one Parliament should not bind another. When it comes to exceptional measures, one Parliament simply should not discharge itself from due consideration. It is not enough for us to say, "If we go for the five-year sunset clause in the absence of annual reviews, Members such as the hon. Member for Islington North (Jeremy Corbyn) and other concerned Members will be diligent enough to create opportunities for themselves by way of Adjournment debates or use of the Backbench Business Committee to subject these things to review." There are things that we as a Parliament should hold in common responsibility. The due protection of civil liberty, alongside the due protection of public safety, are among them.

I accept that these measures—whether control orders or TPIMs—will be put through, but for exceptional measures that depart from the normal criminal law and give Executive power to use secret intelligence and to deploy strict controls on an individual's freedom, this Parliament should not just say, "We are content to let that run for five years and see where we stand thereafter." If Parliament is going to approve these measures, it should at least give itself the duty to look again in a year to see whether they are still needed in this form or whether there should be improvements.

6.30 pm

Richard Fuller: Annual review is just a veneer; to see that, we need only consider the number of Members present to debate it. I also believe that it is always whipped through by the Government party. The people under these control orders have never had the advantage of having been brought to a proper trial, and what they want is some certainty. They want certainty that this Parliament will handle its responsibilities thoughtfully and thoroughly, and that would require conducting a thorough review that could then be used to advise the Government and inform Parliament in a real debate. Does the hon. Gentleman not accept that that would be a major difference?

Mark Durkan: I am sorry to disagree with the hon. Gentleman, but I do not believe that it will be a tonic to the mental health of people under these orders if they know that Parliament will not seriously discuss the matter for another five years. I do not see what relief or redress that offers them. I agree with the hon. Gentleman, however, about the issue of our pretending that annual review will somehow of itself offer comfort to people under these orders in that it might result in their being reprieved from their exigencies. I would not give that false comfort or promise, and nor should we.

Based on the experience that we have all had of the many previous annual renewals, the hon. Gentleman also makes a valid point in saying that the Chamber might take its responsibilities in this regard somewhat lightly, but let us therefore be exposed to condemnation for such dereliction of duty and for not turning up every year to consider renewals duly and properly, rather than pretend that it is sufficient to do that on a five-yearly basis. Considering the issues at stake under this Bill, the attendance for the current debate is not particularly unimpressive in comparison with the likely attendance, which the hon. Gentleman indicts, for an annual review debate.

We should not kid ourselves about the false merits of a five-year sunset clause as opposed to an annual review, and nor should those of us who might vote in a Division to keep a version of annual review delude ourselves about the extent of the impact of annual reviews. However, annual reviews might ensure that the various other parliamentary means of scrutiny—whether through the Backbench Business Committee or Select Committees—are used to condition such reviews and, perhaps, explore more of the alternatives.

In the context of our deliberations today, I and others regret the fact that good amendments that were submitted on police bail and the conditions that could be attached to that are not available for us to discuss. Through discussing them, we would have been able to consider possible restrictions in cases where the police so far have only limited evidence that is not amenable to their taking the case to full prosecution. For such cases, there are means within the standard criminal law that can be deployed and developed, and amendments were tabled that offered that option. Through having annual reviews, some such alternatives might build up more of a head of steam. I am not saying we need annual reviews in the same style as in the past, but if we were to use annual reviews and the other parliamentary means now available to us, we could make more of this system.

Focusing now on the substance of the Bill, control orders are a poor tool and a crude weapon, but whereas TPIMs might appear to be softer, even when looked at through the bubblewrap of all the claims that the Government make for this Bill, they are also a poor tool and a crude weapon. Some of us have experience of how counter-terrorism measures can be deployed in counter-productive ways. They can act as grist to the mill of those who would radicalise others and try to spread subversion and dissident tendencies. They can also be used in ways that get in the way of good police work, and good police interface and engagement with communities whose sympathies and confidence are essential in holding the line against terrorist and subversive tendencies. We should therefore always tread lightly in relation to measures brought before us and offered as necessary and justified on the basis of countering terrorism.

Parliament should be particularly wary when we are given the assurance that these powers will not merely be activated on the basis of secret intelligence by mysterious Executive servants who may or may not appear before

[Mark Durkan]

Select Committees or anybody else in Parliament, because there will be a degree of judicial oversight through posts such as special advocates. We should be very wary about being casual about any provisions that involve constant reference to words such as "special" and features such as "secret," but that is precisely what we have in the TPIMs cocktail that is before us, and it is the same cocktail that was before us in relation to control orders. We as a Parliament should at least be trying to provide some sort of antidote to that, or diluting it through putting in place the kind of scrutiny and challenge that an annual review might provide.

I have listened to the arguments for and against these amendments. I am not impressed by the Government's arguments, including those of the Liberal Democrats, in favour of their proposed measures. I support the Opposition on annual renewal, while not being under any illusions that that will be any great shakes in itself, but I certainly do not support the Opposition in trying to insinuate that somehow this legislation is dangerous in itself and exposes us to new risks because it damages control orders. I do not believe control orders have been necessary or effective in the way that they have operated. In fact, that has been dangerous in some regards, because sometimes both the terms and conditions of control orders have been interpreted randomly and capriciously, so that not only have people's movements been restricted, but people have been made amenable to prosecution, and the threat of it, for supposed breach of unreasonable conditions.

Dr Huppert: The hon. Gentleman makes an important point. Just today, I heard from somebody who used to be under a control order who said that there were a number of such instances. On one occasion he had to wait to sign in because there was a queue at the police station, which led to him signing in two minutes late. Does the hon. Gentleman agree that it is important that this Government also look at such details, because unreasonable conditions will make the whole system completely ridiculous?

Mark Durkan: Yes, I fully agree with that point about the ridiculously pedantic and capricious use of conditions to get something on these people, when they demonstrate no greater threat than the fact that they find it difficult to cope with increasingly bizarre conditions. Therefore, I do not hold the same brief as the Opposition for control orders and the existing legislation, which is why I do not support them on the amendments that suggest that control orders are somehow better; but neither do I fall for the Government's false argument that TPIMs are substantially different, because they involve a large part of the same mix as control orders. I never bought the product "I can't believe it's not butter" and I am not going to buy "I can't believe it's not control orders."

Caroline Lucas (Brighton, Pavilion) (Green): I want to speak briefly in favour of new clause 7 on annual reviews, but only because it is the least worst option on the table. It is deeply concerning that, despite pre-election promises and having voted in the past against the massively controversial and now, I would argue, totally discredited control order regime, the coalition Government are trying to push through a Bill that in so many respects simply rebrands the very worst aspects of that failed regime. Despite the spin that was put out when the Bill was presented, it contains the same fundamental mechanism of detention. Restrictions on a terrorist suspect while further investigations continue will in many circumstances be reasonable and in the public interest, but what is so offensive about control orders and their close relatives, TPIMs, is that both are imposed by the Executive, not by a court. The continuation of a system of Government detention entirely outside the rule of law is neither effective nor just, and that is why I hope that, as the hon. Member for Foyle (Mark Durkan) said, we can make these annual reviews more rigorous. Perhaps we can use them in the way I imagine people on control orders hope they will be used: for proper, rigorous scrutiny.

Today, I was in the same room as the hon. Member for Cambridge (Dr Huppert) and I, too, heard from somebody on a control order. I heard some shocking stories, and not just about that person waiting to sign in at a police station and being deemed to be two minutes late and therefore, supposedly, in breach of a control order. There were even more ridiculous accounts. People are being written to because they have not kept properly clean the flat in which they are supposed to be in internal detention. All kinds of ridiculous methods are being used to misuse the kind of tools being put before us today. That is why, at the very least, we need the option of an annual review.

Everyone agrees that public safety requires that terrorists be held in prison, but let us not forget that this regime is about terrorist suspects, some of whom will be entirely innocent—as, indeed, was the gentleman we spoke to today. So, when considering these matters, which are central both to our security and to our core democratic values, it is critical to remember that the concern is not whether we would like to see terrorists subject to punitive restrictions, but whether we want a system that allows innocent people to be treated outside the rule of law. It is not the action of a democratic state to hold someone without telling them what they are charged with. That is the definition of a living hell: to hold someone without telling them what the evidence against them is, leaving them with no opportunity to defend themselves. The many past miscarriages of justice should weigh heavily on our consideration of these matters.

I am disappointed that the amendments I co-signed with the hon. Member for Cambridge, on police bail, were not selected for debate. I realise that I cannot now debate them, but I would simply say that public safety is best assured when suspects are charged with a crime and, if found guilty, imprisoned, rather than left in the community to abscond—as a number of controlees have done—or, crucially, to act as an advertisement for extremism because the regime is so unjust and impacts not just upon them but on their families and communities. Police bail would have enabled us to get away from that and properly to investigate people who are suspected of a crime, rather than leaving them in this no-man's land, which discredits us enormously as a country.

Jeremy Corbyn: I had not planned to speak in this section of the debate, but I was moved to do so by the eloquence of many of the contributions to it. We are debating TPIMs versus control orders, and the House will have heard in my intervention on the hon. Member

for Cambridge (Dr Huppert) that I do not see a whole lot of difference between their underlying principles. I do not welcome TPIMs any more than I welcome control orders. I voted against control orders in the last Parliament and will continue to do so in this Parliament—and against TPIMs—for much the same reasons as the hon. Member for Brighton, Pavilion (Caroline Lucas) has eloquently explained to the House.

We are getting into a debate about sunset clauses versus a review. I would prefer a sunset clause on the Bill; indeed, any special legislation should automatically have a very short sunset clause attached to it as a matter of course. We are passing major legislation that has a huge effect on the civil liberties of everybody. However, if we cannot have that—I do support the Opposition Front Benchers in this respect—we should at least have a 12-month review.

One has to remember the atmosphere in this House in which we considered the question of special legislation. The Prevention of Terrorism (Temporary Provisions) Act 1974 was passed after the Birmingham pub bombings. They were appalling, they were disgraceful, and in that fevered atmosphere the House passed that Act, which it renewed at six-monthly intervals for a very long time. The only time when anti-terrorism legislation was passed in an atmosphere of relative calm was in 2000. All other such Acts were passed in respect of some awful event somewhere. At those times, the House met in a fevered atmosphere and said that it was important that, because of the nature of what had happened—be it 9/11, 7/7, Canary Wharf or any of a host of appalling incidents around the world or in this country—we had to pass the legislation because it would deal with the problem.

6.45 pm

Did the Prevention of Terrorism Act deal with the problem? No, it did not deal with it at all. It probably generated more support for those who wish to commit those acts than anything else, because it criminalised large numbers of people who had committed no criminal wrong. It criminalised large numbers of people who became very frightened, just as subsequent anti-terror legislation has done. We should therefore be very careful in what we are doing.

My right hon. Friend the Member for Salford and Eccles (Hazel Blears) pointed out in an intervention that there is judicial oversight over the 2005 legislation. That is true, and there are special judges, special courts and special advocates. However, all that is actually very dangerous, because it removes the relationship between the defendant and their representative, in that the latter is not allowed to reveal the full nature of the case against them. Only the judge knows the full nature of the case against them, along with, presumably, those promoting—for want of a better word—the prosecution against the individual. That is a denial of justice, because justice has to be done and be seen to be done. The person who is being judged against must be fully aware of all the evidence being used against them.

As the hon. Member for Brighton, Pavilion pointed out, we are allowing Executive control orders to be placed, with a limited degree of judicial oversight, over people against whom no criminal prosecution has been made. Let us consider the awful information that emerged from Libya concerning somebody who was deported there, and who suffered greatly as a result. That was a continuation of the idea that special laws require special purposes, and special events require special deals. Hence, the Government under Prime Minister Blair exchanged a series of letters with a number of north African and other countries that allowed people to be removed to those countries who had not necessarily committed any crime in this country—at least, it had not been proved by a court—on the basis that those regimes would be very nice and not torture people, despite their not having signed the UN convention against torture. We should be very careful when we start undermining the whole principle of our own law and international law, which is what we are doing with this legislation.

I support the Opposition's new clause 7, which at least gives us a 12-month review. It is not what I want but it is better than nothing, and it does give an opportunity for a debate, although I should point out that I have sat through virtually every PTA review debate, some of which were fairly perfunctory, to put it at its politest. However, I am not prepared to vote for the other two provisions because they do not take account of the degree of concern and opposition that exists to control orders and the accompanying legislation, or of the nature of the underlying case. If there is a threat to our society—I am quite sanguine about this: there are threats, dangers and problems—there is criminal law to deal with it. The ability exists to bring out criminal evidence against the individuals who have perpetrated those acts. However, because we are so keen to protect the power of our security services and those who do not have to give evidence or come out into the open, but whose information is so devastating against the individuals concerned, we are taking a dangerous move.

I know that a small number of people are affected at present, but I see this as the slippery slope—away from what should be an open legal system in an open and liberal democracy. That is why I am not happy about the TPIMs process, any more than I was about control orders. The very least that we can do is to review the legislation every 12 months. I would rather we did not produce this legislation at all, and instead promoted open criminal law to deal with criminal acts that damage our society.

James Brokenshire: Let me begin by addressing the points made by the hon. Member for Islington North (Jeremy Corbyn), who cut to the heart of a number of arguments surrounding this Bill and the measures that we judge appropriate. We would all like to live in a world where the measures contemplated in the Bill were not needed. The sad reality is that they are, as a continuing threat will be posed to this country and its citizens by people who we cannot prosecute, deport or take other action, against, so preventive measures are required. I wish that that were not the case but it is, which is why we are introducing the measures in this Bill. They follow on from the counter-terrorism review and are in recognition of this continuing risk to the citizens of this country. The Bill is certainly not about protecting the security services; it is about protecting the public. That is the driver behind these measures.

Let me deal with the duration of the legislation and the Government's sunset clause. Our starting point was that this legislation was not being considered in a fevered state but in a measured way so, like other legislation, it did not require a sunset clause. However, we listened carefully, we reflected on the Bill's measures and the

[James Brokenshire]

impact they could have on individuals, and we judged it appropriate that each Parliament should be able to review the measures in the context of the security situation at the time and consider whether their continuation was appropriate. That is why we have introduced the five-year sunset clause in the way that we have.

It has been interesting to hear this evening's debate about annual renewal. The hon. Member for Islington North has been a consistent participant in these debates—I respect the contributions that he has made year on year—and he implied that some of them have been "perfunctory". That is not what we would wish in relation to legislation such as this, which is why the point made by my hon. Friend the Member for Cambridge (Dr Huppert) about the need for a serious and considered review of legislation was well made and strongly put. We took that approach when we sought to conduct a counter-terrorism review in preparation for this Bill.

I understand the point that the hon. Member for Brighton, Pavilion (Caroline Lucas) makes. In some ways, she sympathises with the line of argument taken by the hon. Member for Islington North. She makes a point about Executive action, but I repeat that circumstances and situations continue to arise that mean, sadly, that legislation of this type is necessary and continues to be required. She made a point about secret evidence, and the Government will shortly be introducing a Green Paper to consider further its use in court and to consider this matter in further detail, given a number of associated issues that have been raised.

Caroline Lucas: Will the Minister explain why he is so certain that the TPIMs regime will be effective, given that it is very similar to the control orders regime and nobody who has been placed under a control order has ever subsequently been prosecuted for a terrorism offence?

James Brokenshire: In some ways, this relates to the package of the measures before us. This is about not only this Bill, but the capabilities and resources being made available to the police and security services to allow them to monitor people and seek to bring them to justice. I absolutely agree with the hon. Lady, and it is our preferred option, that people who commit acts related to terrorism should be prosecuted and brought to justice in the normal way. However, the Government need to assess risk and seek to protect the public, and we judge that, for a number of reasons, it is not possible to achieve that aim in all circumstances. That is why preventive measures of the type contemplated in this Bill are required and will continue to be needed for the foreseeable future. We therefore argue that it is for Parliament to consider, on a per-Parliament basis, the necessity of these types of measures. I am aware that the hon. Lady has raised the issue of bail in this context, and we considered it in the counter-terrorism review. However, we had clear guidance from the police who recommended against bail being available for terrorist suspects because of the risk to public safety that might be involved.

Mr David Davis: If I may, I will pursue the point raised by the hon. Lady. Will the Minister tell us why he thinks that the number of convictions in this country is so low? In the 10 years or so since 9/11 there have been about 230 convictions relating to terrorism offences, which is less than 10% of the number in the United States during the same period, and similar comparisons can be drawn with other countries. Why does this country have such a low conviction rate compared with everybody else?

James Brokenshire: My right hon. Friend has taken a very consistent line on ensuring that those suspected of terrorism offences are brought to justice and that the courts are used appropriately. We need to do all we can to ensure that that happens, which is why we are taking forward measures such as post-charge questioning, which he has advocated clearly, and why we are continuing to examine the way in which intercept evidence might be usable in the courts and how the Privy Council review continues in relation to that. I agree with him that we need to be looking at a package of measures, that this is not about one instrument in itself and that it might be appropriate to take a range of steps. I would not want to suggest in this evening's debate that this is about one issue. The Government are taking forward a range of measures as part of their counter-terrorism review and this Bill is just one part of that.

Richard Fuller: Before the Minister moves on, may I ask about the point made by my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) and the hon. Member for Brighton, Pavilion (Caroline Lucas)? The hon. Lady mentioned that there had been no convictions of people on control orders. By supporting the Government today, we will be extending the TPIMs regime by five years. What comfort can the Minister give us that that record of no convictions will be improved by a more thorough prosecution of the evidence and by bringing to trial the people under control orders? Can he say anything to give us some assurance that that system of containment rather than prosecution will change to one of prosecution and bringing to justice rather than one of just containing a problem and leaving people on one side?

James Brokenshire: I would point my hon. Friend in the direction of the Bill's provisions, which clearly underline our desire to prosecute people when the evidence is available. That is part and parcel of the additional investigative capabilities intended to be available to the police and the security services. I believe that this approach will contribute to our being able to achieve the sorts of steps that he is advocating in terms of seeking to prosecute where there is admissible evidence that could be brought before the courts.

I deal now with some of the other issues raised in this useful and constructive debate, which has been a symbol of some of the other consideration of the Bill. My hon. Friend the Member for Cambridge raised the issue of Libya and he will doubtless have heard clearly the comments made by the Prime Minister during the statement preceding this debate. It is the Government's long-standing policy not to comment on intelligence matters, but I can make it absolutely clear that the Government's clear policy is not to participate in, solicit, encourage or condone the use of torture or inhumane or degrading treatment for any purpose.

Several hon. Members *rose—*

James Brokenshire: May I just finish the point? We have published the consolidated guidance to intelligence personnel, including on the passing and receipt of intelligence relating to detainees. The Government took early and decisive action to set up the Gibson inquiry, precisely to examine whether Britain was implicated in the improper treatment of detainees so that we can better understand what happened and allow all involved closure.

Jeremy Corbyn: I thank the Minister for giving way and I am grateful to him for allowing this point to be made. Is he concerned that the exchange of letters made by former Prime Minister Blair with a number of countries that allowed removal to those that had not signed the convention on torture should be ended? We should only ever remove people to a country that recognises the relevant sections of that convention and that would not carry out the death penalty against those people.

7 pm

James Brokenshire: The hon. Gentleman will have heard what the Prime Minister said in his statement about the investigation being undertaken by the Gibson inquiry. These matters will be looked at closely, but I certainly do not intend to expand this debate to cover them in such a way because time is pressing and we have a number of other issues to do with this mini-debate to get through.

The right hon. Member for Leicester East (Keith Vaz) asked me about a couple of issues. The first was to do with the role of Lord Macdonald, who was not appointed to review counter-terrorism legislation generally or on an ongoing basis but was asked to oversee the counter-terrorism review, which completed in January. It is obviously open to him to look at and comment on the draft Bill; we have published it with the purpose of allowing it to be considered.

Let me turn to the central issue raised by those on the Opposition Front Bench as well as other Opposition Members. I want to make it very clear that the TPIM system will provide appropriate, proportionate and effective powers for dealing with the risk posed by suspected terrorists whom we can neither prosecute nor deport. The new system introduced by the Bill will be accompanied by an increase in funding for the police and security services to enhance their investigative capabilities. As I have said, this will complement the new regime and, we believe, maintain public confidence. To repeat what I have said, the Metropolitan Police Service has confirmed that arrangements will be in place effectively to manage the transition from control orders to TPIMs. I have heard what Opposition Members and other Members have said and I can say to the right hon. Member for Leicester East—or I would have done, if he was in his place—that I will take the issue away and consider further with the police what further information may be provided.

As right hon. and hon. Members will recognise, there is a challenge here and we do not provide detailed breakdowns of what money we provide for specific security activities as that would provide detailed information about our capabilities and techniques that could undermine national security. There is a delicate balance to be struck, but I will certainly consider carefully the comments that have been made during this debate and consider with the Metropolitan police what further information might be appropriate.

Shabana Mahmood: I thank the Minister for giving way and for the indication that further written evidence will be available. I am still minded to press amendment 20 to a vote later this evening, but I have been advised by the Clerks that if new clause 3 is passed we cannot have a vote on new clause 7. May I clarify that although we would have liked to vote on annual renewal—we still believe it is an important measure—we will not oppose new clause 3? However, Labour Members will take the issue forward when the Bill reaches the other place.

James Brokenshire: I appreciate the hon. Lady's clarification of the official Opposition's stance. I have given the House clear assurances about the preparations for the transfer from control orders to TPIMs and we will reflect on the debate further, but we believe that the Government's amendments for the review are appropriate, and, on the basis of the assurances we have received, we do not believe that the Opposition amendments are required. Even at this stage, I ask the hon. Lady to reflect on the debate and to consider withdrawing those amendments.

Question put and agreed to.

New clause 3 accordingly read a Second time, and added to the Bill.

New Clause 4

SECTION (EXPIRY AND REPEAL OF TPIM POWERS): SUPPLEMENTARY PROVISION

'(1) This section applies if the Secretary of State's TPIM powers expire or are repealed under section (Expiry and repeal of TPIM powers).

(2) A TPIM notice which is in force immediately before expiry or repeal is to—

(a) continue in force for the period of 28 days beginning with expiry or repeal; and

(b) be treated as if revoked by the Secretary of State at the end of that period.

(3) Subsection (2)(a) is subject to—

(a) any variation under section12(1)(a) or (b), and

(b) any revocation or quashing.

(4) Except as provided for in subsection (5) or (6), TPIM proceedings may neither continue nor be begun after expiry or repeal.

(5) TPIM proceedings of a kind set out in subsection (7) may continue, or be begun, after expiry or repeal, but only for the purpose of determining one or more of the following matters—

(a) whether a TPIM notice should be quashed;

(b) whether measures imposed by a TPIM notice should be quashed;

(c) whether to make a declaration under paragraph 4(4) of Schedule2.

(6) Proceedings for an award of damages or other relief arising out of any TPIM proceedings of a kind set out in subsection (7)(a) to (c) may continue, or be begun, after expiry or repeal.

(7) The TPIM proceedings referred to in subsections (5) and (6) are—

(a) a reference made under paragraph 3 of Schedule 2 before expiry or repeal;

(b) a hearing in pursuance of directions under section 8(2) or 8(5);

(c) an appeal under section16;

(d) an appeal, or further appeal, relating to a decision in any proceedings mentioned in any of paragraphs (a) to (c).

(8) If, after expiry of the Secretary of State's TPIM powers, the powers are revived under section (Expiry and repeal of TPIM powers)(2)(b)—

(a) all TPIM notices, including any which were in force before expiry, are to be taken into account in determinifig whether there is new terrorism-related activity for the purposes of section3(6);

(b) the expiry of those powers does not prevent them from being exercised after revival in relation to any TPIM notice which—

(i) expired or was revoked before the expiry of the powers or during the relevant 28 day period, or

(ii) is, in accordance with subsection (2)(b) of this section, treated as if revoked at the end of the relevant 28 day period;

and for this purpose "relevant 28 day period" means the period of 28 days beginning with the expiry of the powers that is mentioned in subsection (2)(b).'.— *(James Brokenshire.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 5

TEMPORARY POWER FOR IMPOSITION OF ENHANCED MEASURES

'(1) If the Secretary of State considers that it is necessary to do so by reason of urgency, the Secretary of State may make a temporary enhanced TPIM order during any period that—

(a) begins with the dissolution of Parliament, and

(b) ends with the first Queen's Speech of the Parliament which first meets after that dissolution.

(2) A temporary enhanced TPIM order is an order which makes provision for, or in connection with, giving the Secretary of State power to impose enhanced measures by notice on individuals whom the Secretary of State is satisfied, on the balance of probabilities, are, or have been, involved in terrorism-related activity.

(3) An enhanced measure is a requirement, restriction or other provision which is of any of the following kinds—

(a) a restriction on an individual in relation to the residence in which the individual resides, including—

(i) a requirement to reside at a specified residence in the United Kingdom;

(ii) a requirement not to allow others to reside at that residence without the permission of the Secretary of State;

(iii) a requirement, applicable between specified hours, to remain at that residence;

(b) a restriction on an individual in relation to leaving a specified area;

(c) a requirement, restriction or other provision which corresponds to provision within any of these paragraphs of Schedule1—

(i) paragraphs 2 to 6;

(ii) paragraph 7(1) and (2) and (4) to (6);

(iii) paragraphs 9 to 12;

(d) a requirement, restriction or other provision which corresponds to provision within paragraph 8(1) of Schedule1 (as read with paragraph 8(3) of that Schedule), including—

(i) a requirement not to associate or communicate with other persons without the permission of the Secretary of State, which includes provision allowing the individual (without seeking permission) to associate and communicate with such persons or descriptions of persons as the Secretary of State may specify;

(ii) a requirement to give notice to the Secretary of State before associating or communicating with other persons, which includes provision allowing the individual (without giving notice) to associate and communicate with such persons, or descriptions of persons, as are specified.

(iii) a requirement of the kind referred to in sub-paragraph (c) of paragraph 8(2) of Schedule1, which may in particular relate to association or communication which is allowed by virtue of provision of the kind referred to in sub-paragraph (i) or (ii) above;

(e) provision which corresponds to provision within Part 2 of Schedule1;

and for this purpose "specified" means specified by the Secretary of State in an enhanced TPIM notice.

(4) Except as provided for in subsections (5) to (10), the provision made by a temporary enhanced TPIM order must correspond to the relevant provisions of this Act.

(5) A temporary enhanced TPIM order—

(a) must secure that enhanced TPIM notices and standard TPIM notices are separate notices;

(b) must secure that, at any particular time, an enhanced TPIM notice and a standard TPIM notice are not both in force in relation to a particular individual; and

(c) may secure that the application of a temporary enhanced TPIM order to a particular individual does not affect the application of this Act to that individual (and vice versa).

(6) The provision of a temporary enhanced TPIM order which corresponds to section 3 must include appropriate variations from the provision contained in that section to secure—

(a) that condition A is replaced by a condition which secures that the enhanced TPIM power may not be exercised in relation to an individual unless the Secretary of State is satisfied, on the balance of probabilities, that the individual is, or has been, involved in terrorism-related activity; and

(b) that condition D is replaced by a condition which secures both—

(i) the same result as condition D, and

(ii) that the enhanced TPIM power may not be exercised in relation to an individual unless some or all of the measures imposed by the enhanced TPIM notice are measures that may not be imposed by a standard TPIM notice.

(7) The provision of a temporary enhanced TPIM order which corresponds to section5(1) must include appropriate variations from the provision contained in that subsection to secure that each enhanced TPIM notice ceases to be in force at the time when the enhanced TPIM power ceases to have effect in accordance with section (Temporary power: supplementary provision)(1) (subject to earlier revocation or quashing of the notice).

(8) The provision of a temporary enhanced TPIM order which corresponds to Schedule 1 must include appropriate variations from the provision contained in that Schedule to secure that it is enhanced measures which the Secretary of State has power to impose.

(9) A temporary enhanced TPIM order may make appropriate provision (including appropriate variations from the provision contained in the relevant provisions of this Act) in consequence of, or in connection with, the creation, in accordance with this section, of the enhanced TPIM power.

(10) A temporary enhanced TPIM order may make appropriate provision for the purposes of securing that transitional and saving provision relating to a temporary enhanced TPIM order ceasing to have effect may be made (including provision for enhanced TPIM notices to continue in force for a period, which does not exceed 28 days, after the enhanced TPIM power ceases to have effect).

(11) The provision that may be made by a temporary enhanced TPIM order includes—

(a) provision amending any enactment (including an enactment contained in this Act);

(b) provision applying (with or without modifications) any enactment (including an enactment contained in this Act);

(c) provision conferring functions on the Secretary of State or any other person (including, in the case of the Secretary of State or any other Minister of the Crown, functions of a legislative nature).'.—*(James Brokenshire.)*

Brought up, and read the First time.

James Brokenshire: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss the following:

Government new clause 6—*Temporary power: supplementary provision.*

Amendment 1, page 22, line 31, in Schedule 1, at end add—

'Additional measures

12A (1) The Secretary of State may impose measures additional to those contained in Schedule 1 if—

(a) there is a serious terrorist threat; and

(b) they are necessary for the protection of the public.

(2) Any measure under paragraph 13(1) can only be imposed if the Secretary of State is satisfied on the balance of probabilities that the individual is involved in terrorism-related activity.'.

Amendment 2, page 22, line 31, at end add—

'Additional measures introduced by Secretary of State

12A (1) The Secretary of State may by order introduce measures additional to those contained in this Part.

(2) An order under sub-paragraph (1) may be made only if a draft has been laid before and approved by resolution of each House of Parliament.'.

Amendment 3, page 22, line 31, at end add—

'Emergency additional measures introduced by Secretary of State

12A (1) The Secretary of State may by order introduce measures additional to those contained in this Part.

(2) An order under sub-paragraph (1) shall have immediate effect but must be approved retrospectively by a resolution of each House of Parliament.

(3) If either House declines to approve a resolution under sub-paragraph (2), the order shall cease to have effect on the date of such disapproval.'.

Amendment 4, page 22, line 31, at end add—

'Additional measures introduced by Secretary of State during dissolution of Parliament

12A (1) The Secretary of State may by order introduce measures additional to those contained in this Part during a dissolution of Parliament.

(2) An order under sub-paragraph (1) shall have immediate effect but must be approved retrospectively by a resolution of each House in the new Parliament.

(3) If either House declines to approve a resolution under sub-paragraph (2), the order shall cease to have effect on the date of such disapproval.'.

James Brokenshire: This group of amendments relates to the enhanced TPIM provisions and the circumstances in which measures additional to those contained in the Bill might need to be imposed. The Government and Opposition are taking different approaches.

The Government have made it clear that we believe that in future there might be exceptional circumstances in which it is necessary to introduce additional and more restrictive measures to those contained in the Bill. I emphasise that we hope never to need them, but, in the event of a very serious terrorist risk that cannot be managed by any other means, it would be irresponsible of the Government not to act to protect the public appropriately.

Dr Huppert: Will the Minister make it clear that he and the Government would not consider the Olympics, in and of themselves, to be such an emergency risk? There might be circumstances that would become such a risk, but will he confirm that the simple fact we are hosting them would not be sufficient to trigger the new legislation?

James Brokenshire: I am grateful to my hon. Friend for highlighting that point. The security arrangements for the Olympics are being planned on the basis that the additional powers envisaged under the enhanced TPIM Bill will not be needed. This is about considering exceptional circumstances and exceptional risk, which is why we have sought to take the approach that we have. In exceptional circumstances we will, where possible, bring forward emergency legislation to introduce such powers. That is why we have drafted and published in draft the Enhanced Terrorism Prevention and Investigation Measures Bill, which will now be subject to pre-legislative scrutiny. That will give Parliament the opportunity to examine its terms closely. In some ways, this underlines the point made by the hon. Member for Islington North (Jeremy Corbyn) in the previous debate about seeking to do this in a considered and measured way rather than in a febrile atmosphere—the draft Bill has been introduced to facilitate that.

If the enhanced TPIM Bill is introduced while Parliament is in recess, Parliament can be recalled to debate it, but there is a small gap in our ability to introduce this emergency legislation in periods where Parliament is dissolved and where a new Parliament has been appointed but the first Queen's Speech has not been delivered. This gap was identified during pre-legislative scrutiny of the draft emergency Bills to extend periods of pre-charge detention for terrorist suspects to 28 days.

Government new clauses 5 and 6 take the same approach to addressing that gap as we are proposing to take with pre-charge detention. They introduce a power to the standard TPIM Bill that would allow the Secretary of State—where necessary by reason of urgency—to bring the enhanced TPIM regime into force by making a temporary enhanced TPIM order. This power would be exercisable only in the periods I have mentioned: while Parliament is dissolved and in the period between the appointment of a new Parliament and the first Queen's Speech. A temporary enhanced TPIM order would make provision directly equivalent to that in the enhanced Bill. I shall not delay the House by reciting the detail of that Bill's provisions; it has been published and is available to all Members to read. It will be subject to rigorous pre-legislative scrutiny, following which it will no doubt be amended and improved.

Hazel Blears: I am grateful to the Minister for giving way and for the way in which he has managed so far to present the enhanced TPIM Bill. Would he not accept

[Hazel Blears]

that the TPIM legislation, like the control order legislation, is in and of itself exceptional legislation that we have all said should be used as a last resort? It is not something that any party would want to adopt; it is outwith the normal criminal justice system and it is not part of the normal legislative process. Why, for goodness' sake, does not he include the enhanced measures in the existing legislation—not so that they are required to be used by the Home Secretary, but so that she would be able to use them if circumstances were to arise in which it was necessary to have a power of relocation, curfew, association or exclusion? This is the most convoluted, awkward, difficult and strange way of legislating that I have ever seen. We are going to have exceptional legislation to exceptional legislation in exceptional circumstances. Why cannot the Minister legislate properly and put these powers into existing legislation?

James Brokenshire: I think that underlines the fundamental difference between us on the nature of the powers that are contemplated and their impact on individuals and counter-terrorism. A number of contributions have been made about radicalisation. Given the stringent nature of the powers that are contemplated under the enhanced provisions, we believe it is absolutely right that Parliament should determine whether the circumstances are so exceptional that emergency powers are needed. That is the right way to do things, rather than seeking to suggest that this is all business as usual and that the powers should be on the statute book. That is why I disagree with the right hon. Lady.

Pete Wishart (Perth and North Perthshire) (SNP): Does the Minister have any idea just how ridiculous the Government look with these enhanced TPIM measures and, more importantly, how disappointed civil libertarian groups are with the Government? The system is probably worse than what the previous, anti-civil libertarian Labour Government proposed. Why cannot we have proper legislation, and why cannot the Government continue the good work they started instead of going down this route?

James Brokenshire: I absolutely reject the assertion that this Bill is in some way more draconian and cracks down more on liberty than the approach of the previous Government. That is precisely why we have sought to rebalance the counter-terrorism legislation, and that has been at the heart of the counter-terrorism review. I should have hoped that the hon. Gentleman recognised that. We have recognised the very nature of the enhanced measures and why it is appropriate not to have them as business as usual—why it is appropriate to have them in a Bill that can be subject to pre-legislative scrutiny and can be considered calmly and rationally rather than rushing and not having powers available to deal with extraordinary and extreme circumstances. That is why we have taken the view that we have in the structure of the approach in the draft enhanced Bill and in this Bill.

Shabana Mahmood: How does the Minister say that control orders or TPIMs are business as usual?

James Brokenshire: I am saying that because this legislation remains and resides on the statute book, subject to the new clauses that we have rightly put in place following the previous debate with the five-year renewal. The powers that are available under the enhanced measures are such that they require a further considered approach by Parliament before they are introduced. That is why we have rationally and reasonably, as reflected in the counter-terrorism review, sought to adopt the approach that we have.

Mr David Davis: I have no wish to add to my hon. Friend's difficulties, but he knows I have concerns about this issue. The simple truth is that had the 90-day measure been put before the House in July 2005, when the atrocity occurred, the House would have taken a much more emotional, rather than rational, decision. I have a general concern—I know that he is thinking through the legislation—that the House does not make its best decisions in the immediate aftermath of atrocities. There is a risk, in going down this route, that we will get not rational, but irrational, decisions.

James Brokenshire: I hear that argument, which is why we have sought to produce the draft Bill—to ensure that it can be considered rationally, calmly and coldly by the Joint Committee. Approaching it in that way means that in circumstances similar to those that have, sadly, arisen in the past, there is a defined mechanism and method that has been subject to scrutiny in advance. In many ways, we are seeking to recognise some of the challenges to which my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) has alluded and to address them by having the draft Bill available now for consideration.

7.15 pm

Hazel Blears: The Minister is being very generous in giving way. May I ask him a specific question? Will we have to wait until this country is subject to exceptional circumstances, which Lord Macdonald has said could be a series of catastrophic attacks in every major city in Britain, until we have a power of relocation on our statute book?

James Brokenshire: I shall not second-guess the circumstances in which the draft Bill and those provisions would be required. Clearly, it would be in exceptional circumstances in which we were faced with a serious terrorist risk that could not be managed by any other means. That is the sort of situation we are contemplating, but I am not prepared to second-guess future developments in the threat picture. The right hon. Lady and I disagree on this, but, as I have said quite clearly, we believe that the TPIMs regime in its entirety—the standard TPIMs regime and the supportive resources around it—is sufficient to manage the threats that we face. Only in exceptional circumstances would the enhanced measures be required. That is the conclusion we have reached as part of the counter-terrorism review. I appreciate that she and I differ on that, but that was the conclusion we came to. The counter-terrorism review recognised that enhanced measures might be required in exceptional circumstances, which is why we have taken the view we have.

Dr Huppert: Contrary to the right hon. Lady's point, does the Minister share my pleasure that we will be able to keep the powers of internal exile with judicial oversight off the statute book for as long as we can?

James Brokenshire: The counter-terrorism review carefully concluded that there might be exceptional circumstances—a very serious terrorist risk—in which the Government would have to seek parliamentary approval for additional restrictive measures. That is what we are seeking to do and that is why we believe that the overall approach taken by this Bill is appropriate.

Mr McFadden: With the publication of the draft Bill, the Government have conceded that they have no argument in principle against the extra powers in the enhanced TPIMs regime. What will the Minister say to the victims of terrorism in the emergency circumstances that he sets out and that might give rise to their introduction? Will he say that we had the extra powers but we decided not to use them until the incident happened? Does he really believe that the Government could survive in those circumstances? Does he not see the nonsense of that position?

James Brokenshire: The right hon. Gentleman's question is premised on various assumptions that I just do not accept. He can make his point but the Bill and the enhanced measures that sit alongside it have been part of a very considered approach in relation to the overall legislative framework, which has not been rushed but has been considered. It has very much at its heart our responsibility to protect the public, but it also recognises that there is a balance to be struck. We believe that the balance has previously been wrong and that it needs to be adjusted, as contemplated by the Bill, to ensure that our counter-terrorism measures are appropriate, necessary and focused on delivering safety and security in a way that is judged appropriate on the basis of the evidence.

The draft enhanced TPIM Bill contains provisions that mean that if it is brought into force while a temporary enhanced TPIM order is in force, a decision taken under that order should be treated as a decision under the new enhanced Bill. The regime provided by the emergency TPIM order is intended to be the same as that provided by the enhanced Bill. In other words, the new clauses are intended to be complementary. They set out the various provisions and matters that may, or in some cases that must, be secured by a temporary enhanced TPIM order, to give effect to the regime set out in the emergency Bill. This includes in particular setting out the more stringent restrictions that would be available, and the fact that an enhanced notice may be imposed only where the Secretary of State is satisfied on the balance of probabilities that the individual is or has been involved in terrorism-related activity. Once made, the temporary enhanced TPIM order would remain in force for 90 days, or a shorter period if specified in the order. It must be laid before Parliament as soon as practicable. While it is in force the Secretary of State can repeal its provisions at any time.

The 90-day period is intended to cover, but not significantly to exceed, the period during which Parliament would be unable to pass the emergency legislation. After parliamentary business resumes, the Government can introduce the enhanced TPIM Bill, if they judge it appropriate, to replace the powers conferred by the order with powers under primary legislation.

These are essential provisions. The power that they provide may never need to be used. Indeed, we would all prefer that the exceptional circumstances for which it and the enhanced TPIM Bill are intended never arise. None the less, it is necessary for a responsible Government to ensure that the enhanced TPIM powers can be brought into force in all circumstances in which they may be necessary.

Mark Durkan: Does the Minister not recall that when the previous Government introduced the Counter-Terrorism Bill with provision, at that stage, for 42-day detention, which was to be the subject of a parliamentary debate and vote when the powers were activated, the then Opposition rightly argued that it would create dangers for Parliament and eventually for the judiciary, potentially, to activate parliamentary control in relation to measures that were being taken against known individuals? Questions were asked, such as how a parliamentary debate in such a situation would be informed. What information would be in the media and in Parliament, and how could we ensure that, if there was a prosecution, that did not destroy the basis for a fair trial? Exactly the arguments that the Opposition used against the previous Government's measures surely apply in respect of the arguments that the Minister has just made for his enhanced TPIMs.

James Brokenshire: I understand the hon. Gentleman's case, and care will be required, but the House often considers topics in relation to which matters are before the courts. The emergency legislation deals with the principles, not with individuals. The House has demonstrated clearly that it is able to do that and to consider and debate matters where care is required.

Amendments 1 to 4 address situations where more stringent measures are needed to protect the public than those available under the Bill. Amendment 1 would in effect place a version of the enhanced TPIM proposals formally on the statute book through the Bill. We debated an almost identical amendment in Committee. It would add a new paragraph to schedule 1, allowing the Secretary of State to impose any measure, in addition to those otherwise specified in schedule 1, on an individual where

"there is a serious terrorist threat"

and where such measures are

"necessary for the protection of the public."

It reflects the position in the enhanced TPIM Bill that the test for imposing such additional measures would be raised from "reasonable belief" of involvement in terrorism-related activity to being satisfied on the "balance of probabilities" that this is the case.

Amendments 2 and 3 offer an alternative approach to providing for the use of additional measures to that set out in amendment 1. Instead of provision being made on the face of the Bill, the Government would be able to add further measures to schedule 1 by order. Amendment 2 envisages that Parliament would approve those measures in advance; amendment 3 provides for retrospective parliamentary approval and so seeks to address other concerns. Amendments 1, 2 and 3 highlight a difference in approach between those on the Opposition Benches and my right hon. and hon. Friends on the Government Benches.

The Government's position is that the Bill provides a robust and effective set of measures to manage the risk posed by suspected terrorists whom we cannot prosecute

[James Brokenshire]

or deport, and it will be complemented by additional funding for the police and Security Service for covert investigation. The Government consider that more stringent powers will be required only in exceptional circumstances. So although the Government agree with the Opposition that there may be a need for additional measures to those contained in schedule 1, we believe, as we flagged up in our counter-terrorism review, it is right that those more stringent powers are not on the statute book or available at all times through an order-making power, as amendments 1, 2 and 3 would provide, but are contained in draft emergency legislation that is introduced only if required. This is also reflected in the Government's approach to extended pre-charge detention.

Furthermore, the Government consider that it is appropriate for the measures available to the Secretary of State to be set out on the face of primary legislation, and to have been agreed in advance by Parliament. That is the clear approach adopted in the Bill before us, and it is also the approach that we have taken in the enhanced Bill. Indeed, I would argue that the more stringent nature of measures available under the enhanced Bill is an even greater reason for them to be clearly defined and agreed by Parliament, rather than decided on an ad hoc basis by the Secretary of State. The Government are therefore not in favour of amendments 1, 2 and 3. For the reasons that I have set out, I ask hon. Members not to press them.

Amendment 4 is specifically concerned with what would happen if the additional measures are required during a period when Parliament is dissolved. The same issue was raised during pre-legislative scrutiny of the emergency Bills for extended pre-charge detention. The Government have listened to the concerns expressed and new clauses 5 and 6, which I have already outlined, directly address the point. I trust that this means that Opposition Members will be content to withdraw their amendment.

Paul Goggins: I shall speak to amendments 1 to 4 and voice my support for Government new clauses 5 and 6. Throughout Second Reading and consideration in Committee, I have supported the principle of placing in schedule 1 a list of conditions that would be available to the Secretary of State under the TPIMs regime. Under control orders there is no such list. The Home Secretary can impose any condition, subject to accountability to the court. As my right hon. Friend the Member for Salford and Eccles (Hazel Blears) has continued to remind the House throughout the debate, there is that continued oversight over the existing regime.

The problem with schedule 1 is that the list of conditions that it provides is inadequate. For example, it requires that the Home Secretary must—not may, as I hope we will discuss later—allow someone subject to a TPIM to have access to the internet and to have a mobile phone and a land line. There is no option; the Home Secretary must do that. Equally, the Home Secretary has no power to relocate an individual away from an area if she judges that to be necessary. I hope that we will soon debate that aspect as well.

The nagging concern that hon. Members—on both sides of the House, I hope—have is what happens when the Home Secretary has intelligence about an individual that requires a certain measure to be put in place, and she cannot do so because it is not in schedule 1. The good news since we considered the issue in Committee is that the Home Secretary has clearly recognised that there may be circumstances where the list of measures in schedule 1 is not sufficient, and she has now published draft legislation, the enhanced TPIMs Bill, that will allow relocation and curfew and will prevent access to mobile phones and the internet where that is necessary. I support the fact that in that Bill she is giving herself the powers to introduce an enhanced TPIM if Parliament is dissolved and she judges it necessary at the time.

The bad news is that the only way that the Home Secretary could exercise these enhanced powers when Parliament is sitting is via fresh primary legislation. I assume that the Home Secretary intends that there should be a rigorous process of pre-legislative scrutiny in relation to the enhanced TPIMs Bill that has been published. Presumably it will be scrutinised by a cross-party Committee and presumably the Committee will be made up of Members from both Houses. Perhaps the House will consider making the Committee Chair a well-respected Cross Bencher, such as a former Cabinet Secretary with huge experience of Government business. The Committee would be expected to take evidence from all the experts and, on the basis of that evidence, it would then be asked to come to a unanimous view on the matters before it.

7.30 pm

That is what we did just a few weeks ago in relation to the draft legislation on pre-charge detention—exactly that process. The report, which I know the Minister will have read with great care, concludes that the route of using emergency legislation in that way is unsatisfactory and unreliable. Those are not my words; those are the words of the Joint Committee, having considered the evidence very carefully, indeed.

There are at least three major problems with the route that the Minister wishes to take. First, there is the wide variation in the threshold, or the trigger, that will apply to the emergency legislation, and it is not good enough for him to stand at the Dispatch Box and say that he will not second-guess the circumstances in which it may be necessary. He is the Minister who, along with the Home Secretary, will decide whether the legislation should be brought before the House.

Lord Macdonald of River Glaven, in evidence to the Joint Committee, said that it would take a national catastrophe before emergency legislation could be brought forward. Other experts thought that such legislation might be necessary in one or two individual cases. In either scenario, it will be wholly unsatisfactory. My right hon. Friend the Member for Wolverhampton South East (Mr McFadden) made the point very clearly: if we have had the national catastrophe, we have missed the boat.

The whole point of the enhanced TPIMs legislation is to prevent a catastrophe in the first place, so are we really meant to believe that we need the whole panoply of primary legislation going through this House and the House of Lords, with all the necessary deliberations, on the basis of one or two individual cases? I regard that almost as an abuse of the parliamentary process.

Secondly, the passage of legislation would be fraught with difficulties. The individuals who are subject to control orders now and who will be subject to TPIMs in

future are subject precisely because there is intelligence on them that cannot be shared in an open court and, therefore, certainly cannot be shared in an open debate in Parliament. The Home Secretary would therefore be able to tell us almost nothing about the detail of what had led her to the conclusion that emergency legislation was necessary, and anything that she said in the debate would have to be said with great care.

Members from both sides of the House talk of the need always to prosecute criminal charges where possible, but in such a debate the Home Secretary might say something that prejudiced a future trial—if at a later date there were a successful attempt to bring a prosecution. So the practical passage of any Bill through Parliament would be fraught with difficulty. Parliament would also be none the wiser when it considered such legislation, because it could not be told anything about the specific circumstances that had led the Home Secretary to conclude that such measures were necessary.

Thirdly, and importantly, there is the issue of practicality, on which there is considerable detail in the Joint Committee's report. I should have thought that this Home Secretary would have learned a lesson from the last few months about emergency legislation because she had to introduce some on police bail, and she got it through to the House by the skin of her teeth—a couple of weeks before we went into recess. I asked her then what she would have done if we had been in recess and had needed emergency legislation, and the question arises again. If she concludes that an enhanced TPIM is necessary and we are in recess, will she recall Parliament so that we can have an enhanced regime for one or two individual cases?

I support the new clauses that the Minister has introduced, and I welcome the fact that he has seen it necessary and important to ensure that, when Parliament has been dissolved, the Home Secretary can make an enhanced order, because Parliament cannot be recalled in those circumstances.

Let me remind the Minister that in Committee on 28 June he said that such an enhanced power

"should not be introduced or passed until it is needed"—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 28 June 2011; c. 195.]

But, if that is the point at which the legislation is brought to the House, and if there is then consideration, deliberation and Royal Assent a week later, a week later may be seven days too late. The Minister should consider that point carefully.

The Minister gave his view about the four amendments in my name and those of my right hon. and hon. Friends, and he is quite right that amendment 4 is superfluous, because he has accepted the arguments in relation to Dissolution, so I will not pursue it.

On amendment 1, the Minister is right to say that as a result of the Bill the Home Secretary is empowered to take additional measures: she does not have to come back to Parliament; she can just take them, because the legislation gives her the power to do so. I am reflecting carefully on what right hon. and hon. Members have said about the need for parliamentary accountability and scrutiny, however, because there would not be any direct accountability to Parliament.

There would be direct accountability in relation to amendment 2, because the Secretary of State would be able to introduce the additional measures only by order, meaning that she would have to come to Parliament, send the order through both Houses and gain the affirmation of both. The problem with that process is the same as the problem with primary legislation: it all means delay and time, which she may not have; she may need to put the condition into a TPIM immediately. That is a concern for me, even though I speak in favour of amendment 2.

Amendment 3, however, is worthy of more consideration than the Minister's brief summary of it. It would allow the Home Secretary to introduce additional measures in an urgent or emergency situation, but crucially she would be able to do so immediately, because proposed subparagraph (2) would give her the power to do so with "immediate effect". In bringing it forward with immediate effect, however, she would have to submit to parliamentary scrutiny, and both Houses would at a later date have to affirm to her decision to invoke the additional measures. Indeed, if either House declined to give such affirmation, the Home Secretary's original decision would fall, so amendment 3 would give her the immediate powers that she would need to impose the conditions, but it would also provide for some degree of scrutiny by Parliament at a later date.

Dr Huppert: I am following the right hon. Gentleman very carefully. Is he arguing that the Secretary of State should be able to do anything that he or she wants, but that, if Parliament later gets around to saying that it disagrees, because of course there is no time limit on when it has to agree, the condition has to end? Until that point, any measure whatever could be imposed on somebody who had not been convicted of any crime. Is that what he is arguing for?

Paul Goggins: I want the Home Secretary, having the insight, information and intelligence that she has and knowing the risks involved, to have the power to do something about the situation—and to do so immediately. It is important that there is some accountability to Parliament at a later date, and under amendment 3, when Parliament considered the matter at a later stage, it would be possible for either the House of the Lords or this House to decline to give an affirmation, at which point the power would lapse. It is important also, however, that the Home Secretary has the power to act.

This is a very interesting situation. Here am I, an Opposition Member, trusting the Home Secretary to exercise her judgment as the Home Secretary in relation to individual cases, and, by the way, her record on relocation in particular is first-class, and I applaud the way in which she has pursued the two cases that we know about. So I trust her judgment. Interestingly, however, her right hon. and hon. Friends do not seem to share my confidence in her. I trust her to exercise her judgment. She has access to intelligence and information, and she has a huge responsibility. I do not want to tie her hands so that she has a limited range of powers and is unable to exercise her responsibilities properly; I want to give her the powers that she needs.

Hazel Blears: Government Members seem to forget that because we live in a country that has a proper judicial system, should the Home Secretary exceed the reasonable use of her powers and impose a condition on somebody who is subject to a TPIM that is not

[Hazel Blears]

justified by the evidence, it would be a matter for the judges. An application could be made to say that the specific measure was outwith the terms of the legislation. In every order, the Home Secretary has to show that the particular measures that she is imposing are necessary for the protection of the public. The idea that the Home Secretary could act in an arbitrary manner, without reference to the information and intelligence that she has, is absolutely ludicrous. The process will be subject to proper judicial oversight in our democratic country.

Paul Goggins: I am pleased that my right hon. Friend has once again had the opportunity to remind us all of that oversight, which is not flimsy, but stringent.

Dr Huppert: First, I was going to comment that I have perhaps had experience of more Home Secretaries whom I did not trust on these issues than those I did. Perhaps that will change over the years and there will be more Home Secretaries who are more trustworthy on civil liberties. I hope that that is the case.

There is a point about judicial oversight, but there is also a point about Parliament having the chance to comment on what powers it thinks are acceptable. There is a range of things that the Home Secretary could argue are necessary but that Parliament would find simply unacceptable. Will the right hon. Gentleman also confirm that under—

Mr Deputy Speaker (Mr Nigel Evans): Order. The interventions in this debate are rather long. Perhaps the right hon. Gentleman will be generous enough to let the hon. Gentleman in for a second bite.

Paul Goggins: I am bringing my remarks to a conclusion now, Mr Deputy Speaker. In response to the hon. Gentleman, I have worked with a number of Home Secretaries and I have seen this Home Secretary in operation. They—even those colleagues in my party—have represented a range of different political views, but I have trusted every single one of them with the difficult decisions that they have had to make about terrorist suspects and others. That is bar none, including the current holder of the post. I ask the hon. Gentleman to reflect on that. We have to trust our senior politicians sometimes. That has to be within limits, of course, such as the judicial scrutiny and the powers in the Bill.

Frankly, I think that this Government are in the worst of all places. They have acknowledged that the measures in schedule 1 may not be sufficient in certain circumstances, yet they are tying the Secretary of State's hands behind her back and will not give her the powers that she needs against the risk posed by a small number of individuals. The Government are in a terrible place and they need to think intelligently to get themselves out of it.

Dr Huppert: Thank you very much for calling me, Mr Deputy Speaker, particularly given that I went on slightly too long. I apologise for that.

I agree to some extent with the right hon. Member for Wythenshawe and Sale East (Paul Goggins) in that I am uncomfortable with new clause 5, but it is for completely different reasons, as he might imagine. On the issue of trusting the Home Secretary, it is not a question of trusting an individual; I would not trust anybody with that kind of power unchecked by this Parliament. For me, that is a matter of principle, and it is not a reflection on any individual. I am quite sure, despite what was said earlier in the debate, that I will never have that responsibility—I am sure that he is very glad about that—but I would not trust myself to have those powers either.

I would like the Minister to clarify some issues, because we have not had the chance to go through this in detail in Committee. I am uncomfortable with the idea of having emergency legislation to step up the powers, because I simply cannot envisage any circumstance in which I would want to see it used. However, in the review the Government have taken the line that there are some hard to foresee possibilities where it might be needed. If that is the case, I think it is right to proceed in this way. I do not necessarily agree with the Government and would have liked the review to have gone even further, but I can understand where they are coming from.

If that is where we are coming from, there is clearly a need to have some way of installing the measure when Parliament is not sitting. Some have misunderstood this point as meaning that the power will be available to the Secretary of State when Parliament is in recess. It is clear that if the situation was so urgent that we needed to reduce the civil liberties that we give people during recess, we should be recalled. It would be important that we were recalled. However, there is a difference when there is no Parliament that can be recalled. If there is to be such a system, although I am not happy about it, I am pleased with this system and understand it. I am also pleased that the Government have accepted the need for parliamentary scrutiny. That is a move forward from their previous position, as I mentioned earlier.

7.45 pm

There are a few things that I would like to understand about how the system will work. First, the clause does not say enough for my taste about what kind of emergency would be required for the Secretary of State to take such a temporary power during a period when there was no Parliament. There is the term "by reason of urgency". Perhaps I am naive about how parliamentary legislation works, but I would like to hear more about the fact that it must be a serious case and not just something that has to be done now. There is a difference between "urgent" and "important", as we all know. There is also a difference between "urgent" and "emergent", if that is a valid word to use—I am sure that *Hansard* will tell me.

I would like to know why the Minister has chosen not to use the Civil Contingencies Act 2004 in this case. I am sure that he will be able to give a detailed response to that.

I am also interested to understand what sort of consultation there would be if the Secretary of State were to make an order during such a time, whether in terms of statute or a commitment from the Government. We must bear it in mind that we are talking about the time of a general election, when there might be particularly fevered political debate. I am sure that this would not happen with any Home Secretary whom we can envisage,

but the power could be used as a political gambit—as a tool to show how tough they are on the causes of crime. What sort of consultation would there be? Would there be some kind of Privy Council process through which a few people are nominated to be asked? Would there be judicial oversight of the process? How would that work and what safeguards would there be?

I notice that under new clause 6, a temporary enhanced TPIM order will last for 90 days. I should be grateful if the Minister would explain why it is 90 days. It seems to me that the starting point should be the shortest period possible until fresh legislation can be passed. That would include the period of the election until after the Queen's Speech. Perhaps there could be a period after the Queen's speech, even though it may not be done on day one. I would like it to be as short a time as possible and would at least like some justification for it being 90 days.

I will say a little about Opposition amendments 1 to 4. I am keen that the enhanced emergency powers should not be available easily. I do not want them gradually to become one of the normal things that a Home Secretary uses, with one having to be used slightly unexpectedly and then one being quite useful on another occasion, until gradually they become more common, as has happened with so many other things. For that reason I disagree, as I am sure Opposition Members will not be surprised to hear, with giving the Home Secretary these powers, whether under amendment 1 with no parliamentary checks, under amendment 2 with an order first—I would rather see the whole, tougher parliamentary process, rather than a simple order—or under amendment 3 with the retrospective orders.

I am still concerned about proposed new subsection (2) in amendment 3, which says that the Secretary of State can make an order and essentially do anything they want, subject to judicial checks, with it being approved retrospectively and with no time limit. If they wished, the Government could make sure that the Commons and the Lords did not get around to voting on it for a year or two years. That is a real concern. I will not say anything further on amendment 4 because the right hon. Member for Wythenshawe and Sale East has made it clear that it has been subsumed.

This again seems to be an effort by the Opposition to keep as much as possible of control orders. It is clear that what they would like is for control orders to continue ad infinitum. If they cannot have that, they want either TPIMs with control order powers or control orders for a bit longer followed by TPIMs with control order powers, or some such mixture. For those reasons, I disagree with their proposals.

I will not vote against the Government's new clauses because I understand where they are coming from. I hope that the Minister will respond on the detail. I hope that the other place will have more of a chance to consider these important issues on how we deal with emergency rules during the period of a general election when there has been a serious terrorist attack. That is a complex set of things that bears more attention than we are able to give it here.

Mr McFadden: I will keep my remarks brief, because I know we all want to get on to the debate about relocation. However, I wish to say a word about new clause 5, which shows the difference between the Bill before us and what the Government know they might have to do. The new clause and the draft Bill on enhanced TPIMs measures published last Thursday represent the Government taking out an insurance policy against the failure of the Bill before us this evening.

My right hon. Friend the Member for Leicester East (Keith Vaz) reminded us that we are debating the matter around the 10th anniversary of 11 September. It is important that the House remembers that, because that incident, more than any other, forced Governments around the world to reassess their thinking and their expectations of what terrorists were capable of. It also forced all of us in democratic regimes to look again at the protections in law and law enforcement that we can give our citizens against terrorist activity. That is the basis of this whole debate and the Bill.

We did not get here entirely by choice. We got here partly because of court judgments shaping the regime for us in an involuntary way. The problem is simple: what do we do when we cannot bring someone to prosecution, but we have a good and reasonable suspicion that that person would engage in terrorist activity if they could, and there may be inadmissible evidence that they have tried to do so? There has been an assumption running through this debate that such people are necessarily less dangerous than those who have been convicted. That is not necessarily so. If they were able to carry out their intent, they may in fact be far more dangerous than people who have been convicted of other terrorist events.

The Government have published draft legislation that is an insurance policy against the Bill, and they cannot have an in-principle objection to the measures within their own draft Bill. Whereas the Bill before us states, unbelievably, that the Secretary of State must grant terrorist suspects access to mobile phones and the internet, the draft Bill would give the Secretary of State discretion over that. Whereas the Bill before us disarms the Government from giving the public the protection that relocation can provide, the draft Bill would reinsert that possibility. The question that the public will ask, and which the Minister must believe they will ask very seriously should the draft legislation be needed in future, is why the Government did not include those powers in the Bill before us. Why wait until an incident has happened?

I repeat the question that I put to the Minister before. What would he say to the victims of terrorism in such circumstances? Would he say, "We knew we might need these powers, and we could have legislated for them, but we chose not to because we believed that the balance of civil liberties was wrong"?

Richard Fuller: Will the right hon. Gentleman give way?

Mr McFadden: Not at the moment.

Let us deal with the point about civil liberties. The Minister has said several times that the motivation behind the Bill was a perceived imbalance in the last Government's civil liberties legislation. The notion that we are some sort of quasi-police state or overly authoritarian state is complete nonsense. In this country we enjoy freedom of expression, religion and association that is the envy of the world. That is why so many dissidents from regimes around the world have sought refuge here.

[Mr McFadden]

Indeed, the criticism that is sometimes levelled, and perhaps with validity, is that we have been very generous in accommodating dissidents from other regimes, and that sometimes our freedoms have been abused by some of those individuals. It is simply the wrong analysis and the wrong starting point to say that civil liberties in this country have been fundamentally compromised. That is not the case, but because the Government believe it and have carried forward into government the wrong analysis that they developed in opposition, that is leading to the wrong policy and to greater risk for the public. New clause 5 addresses that to some extent, but people will not understand why it, and the draft emergency legislation, were not put into the Bill.

Shabana Mahmood: I am conscious of the time and the fact that we have to get on to new clause 1, on relocation, ahead of Third Reading, so I will try to keep my remarks reasonably brief.

I endorse the remarks of my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins) about the draft Bill. He spoke having been a member of the Committee that considered the draft Detention of Terrorist Suspects (Temporary Extensions) Bill, the findings of which are important and directly relevant to the draft emergency legislation that the Government printed a few days ago. As he pointed out, although that Committee understood the Government's reasons for proposing that contingency powers to extend the maximum period for pre-charge detention should be provided in primary legislation so that they could be subject to parliamentary scrutiny, it still found a number of problems. Those problems exist also in relation to the draft enhanced TPIMs Bill, and it is important that we take a moment to remind ourselves of what the objections were.

The first objection was in relation to parliamentary scrutiny of a draft Bill as primary legislation. The debate that would take place would be so circumscribed by the difficulties of explaining the reasons for introducing primary legislation that it would not be possible for the House to be given proper reasons why we needed to proceed along that route. In relation to the 28-day detention powers, the risk was that a court case might be prejudiced. In this case the objection is even more important, because we are talking about intelligence evidence that has been gathered by the security services, which of course cannot be discussed openly. That is the whole reason why we have closed sessions of courts to consider such matters—they cannot enter into the public domain. That rather defeats the purpose of having any debate on the Floor of the House.

The second objection was that there would be an unacceptable degree of risk that it would be impossible to introduce and pass the legislation quickly when Parliament was in recess. Although that objection referred to the 28-day detention power, it is also important in this case. Counter-terror investigations are fast-moving, and it is not acceptable to say to the police that their reaction to investigations should be hampered while Parliament debates the matter, perhaps in a limited way, and decides to pass an Act. That would not be an acceptable way to proceed.

The third objection related to the period when Parliament has been dissolved, but as we can see, that is precisely what new clauses 5 and 6 are intended to address.

I say to the Minister that it is clear from the draft Bill that the Government have no principled objection to the control order powers that would suddenly be available once again. As my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) said, the draft Bill is an insurance policy that the Government are taking out on their TPIMs regime, which will decrease and weaken the powers available to the police and the Home Secretary to control the behaviour of terror suspects. It is extremely unacceptable for legislation to be conducted in such a way. Control order powers are either needed or they are not. This Bill has used up many hours of parliamentary time to take us round in a circle and bring us back to exactly where we started, with control orders.

Rather than introduce this confused and fudged Bill, which raises many more questions, the Government should have been honest and admitted that sometimes, stringent control order measures such as relocation and 16-hour curfews are necessary. They should therefore have put them in the Bill that we are debating today.

I am afraid that the "argument on context"—that there is a standard context that would require only the standard TPIM, and an emergency context in which the enhanced TPIM might be required—does not hold up to any kind of scrutiny, because control orders and TPIMs, if they are introduced, are at the emergency end of what we do. They are not brought in lightly and have always been emergency measures.

8 pm

I was disappointed that the Minister chose to describe control orders, and indeed TPIMs, as "business as usual". That was a disappointing way of characterising them: it was lazy and potentially dangerous, because it implies that it is par for the course to apply such measures, and that that happens in the normal run of things. Control orders never happened in the normal run of things; they were and always have been exceptional. TPIMs will also be exceptional, so saying that they are an exceptional version of something that is already exceptional, or for use in an "emergency emergency", simply will not work. The Minister should be up front with the House and the public on that point.

The framework in which we expect our police and security services to operate is also important. In our discussion on sunset clauses, the Minister spoke of the importance of a settled position, so that the police can plan, but the provisions are creating a more unsettled position, which prompts the question of how the police can plan for the terrorist risk that we face. We should have a more settled framework, but the draft legislation does not bring that about—it raises many more questions.

When replying to the debate I ask the Minister to turn his mind to the specifics of when those powers will be used. In particular, would the circumstances of the case of CD trigger the passing of the draft Bill? That individual was relocated because he needed to be removed from London, where he was trying to gather weapons and engage in a Mumbai-style attack. Would that be an emergency situation in which the Home Secretary would choose to trigger the draft Bill?

The hon. Member for Cambridge (Dr Huppert) asked whether the mere fact that we are having the Olympics next year would be enough to trigger the draft Bill. What if resources are stretched? What if the impact of

the cuts is too great for the police, even given the additional resources that will be available to them under the TPIMs regime? Would that be classed as an emergency that requires the passing of the draft Bill? We need clear answers from the Minister on how that will work. Without them, the House will be expected to legislate in the dark, which is an unacceptable way for us to proceed.

The Opposition do not want the Secretary of State to be in a position in which she does not have the powers she needs to cope with an emergency when Parliament is dissolved, so we will not oppose Government new clauses 5 or 6. However, we have grave concerns about how the Government are proceeding with their draft legislation. They are exposing the fiction that has been at the heart of the control orders debate, which is based more on a political fudge than on an assessment of the security needs of the country. We need clearer answers from the Government on that point.

James Brokenshire: I am not quite sure how to respond to the lack of coherence in the previous contribution—the Opposition fundamentally oppose something, but then say that they support new clauses 5 and 6—but I shall seek to respond to the points that have been raised in the course of the debate.

I again return to the counter-terrorism review. The measures are not a surprise—it is not as though they were not set out clearly back when the counter-terrorism reported in the early part of this year. The review concluded that

"there may be exceptional circumstances where it could be necessary for the Government to seek Parliamentary approval for additional restrictive measures. In the event of a very serious terrorist risk that cannot be managed by any other means more stringent measures may be required."

Therefore, to suggest that this situation has just happened and that it was not foretold highlights the lack of reading of the counter-terrorism review when it was published earlier this year.

The Government consider that the enhanced powers will not routinely be needed, and that the standard TPIM Bill will provide robust powers to protect the public. We also consider that there may be circumstances in which more stringent powers will be needed. However, such powers should be introduced only at that time—they should not be routinely available on the statute book.

Obviously I accept that there is a clear difference of opinion. During previous contributions from Opposition Front Benchers, I was minded to believe that control orders were the default. That appeared to be the approach taken by the previous Government, which is why this Government undertook our counter-terrorism review and why we have sought to rebalance the provisions contained in the legislation.

I appreciate the points made by right hon. and hon. Members about the term "exceptional circumstances". As I have said, that would be when we are faced with a serious terrorist risk that cannot be managed by any other means. It would be inappropriate to say, "Would it apply in this or that control order case?" I am not prepared to second-guess future developments in the threat picture, and the circumstances might be hard to predict. However, credible reporting could point to a series of concurrent attack plots, all of which appear imminent, or it might apply in the wake of a major terrorist attack when there is the prospect of further attacks to follow. Parliament will need to approve the emergency legislation for it to come into force. Ultimately, therefore, it would be for Parliament to determine whether the circumstances are exceptional in that way.

In response to the points made by my hon. Friend the Member for Cambridge (Dr Huppert), I would highlight the fact that clearly there are additional safeguards for the new clauses to cover the period during a general election, when the House is unable to pass emergency legislation. The enhanced measures will be subject to a higher legal test. The Secretary of State must be satisfied that the person is or has been involved in terrorism-related activity on the balance of probabilities, which is a higher threshold than reasonable belief, which is the test for imposing standard TPIMs.

The comprehensive judicial oversight of standard TPIM notices will also apply to the enhanced measures, including a requirement for court permission before imposing measures; an automatic and full High Court review of the decision to impose the enhanced TPIM notice, and each of the measures specified in it; and rights of appeal against decisions taken by the Secretary of State when the measures are in force. Therefore, the intent is that the broader safeguards will apply in the context of those situations.

I hear what my hon. Friend the Member for Cambridge says about his discomfort with the contexts in which we would need such provisions. We are all in that situation. Equally, we have considered carefully the potential of alternatives. He highlighted the possibilities of the Civil Contingencies Act 2004. However, careful reflection on both sides of the House leads us to consider that that would not be a useful or usable route in dealing with the circumstances that we are contemplating. The 2004 Act has been considered on both sides of the House, but its mechanisms and its structure do not lend themselves easily to the scenarios and situations in which we would consider using TPIMS—indeed, the Act was in many ways directed more to dealing with floods, epidemics and those sorts of problems. Although I understand why my hon. Friend raises that point, as hon. Members have done in the past, we consider that the 2004 Act does not provide a workable mechanism to cover such circumstances.

We believe that the draft emergency Bill would provide a mechanism to deal with a situation while Parliament was either sitting or in recess, although we accept the need to legislate in this Bill to cover a period during a general election. I am pleased to note that the Opposition are prepared to support the new clauses that are contemplated, although clearly there are differences over the emergency Bill itself. However, a Joint Committee will obviously be established to consider, scrutinise and examine the matter in detail in the way one would expect from the House and no doubt to improve, make suggestions and make amendments to the draft Bill.

Mark Durkan: The Minister has talked about these extra bat belt powers, shall we say, that might be available to the Home Secretary and activated by a draft Bill. I have a question about the parliamentary situation that would then be created. If those powers were activated in relation to a particular threat, hon. Members would receive all sorts of instructions and advice not to mention specific cases in the Chamber, but the chances are that the media would be full of suggestions and innuendos

[Mark Durkan]

against particular individuals or locations. In those circumstances, how would Parliament discharge the awkward responsibilities that the clause would give it? The Opposition in the previous Parliament made exactly those valid arguments against the then Government's measures in respect of 42-day detention activated on the basis of parliamentary approval.

James Brokenshire: I know that the hon. Member has made that point before. I responded to him then as well. I think that the House is able to debate the principle of the underlying issues, although in relation to detailed, confidential briefings and so on, we would seek to provide more detailed information to Opposition spokespeople on privy counsellor terms, as appropriate, in order to assist debate. However, we believe that Parliament is able to consider emergency legislation in that way. In many ways, it is important to put out the draft legislation now to ensure that there is a mechanism—a tool—that has been considered coolly and calmly outside some of the febrile situations that understandably arise in the sorts of horrendous situations that, sadly, we have seen in the past. That is why it is important that we have the scrutiny that would be applied by a Joint Committee—and obviously it is for the House to resolve the matters around that. That is an important way of ensuring that legislation is considered in a more rational way.

Paul Goggins: The Minister has been very generous in giving way this evening. He has refused to be drawn on "second-guessing", as he put it, the level of threat that would lead him or the Home Secretary to believe that these enhanced TPIM powers were necessary. However, he said that part of his consideration would be whether the threat was "imminent"—that was the word he used. An "imminent threat" could mean the next 12 hours, the next 24 hours, the next 48 hours or the next week. How does he square that level of risk with the fact that he is prepared to put measures in the Bill that would require separate primary legislation that might take at least a week to procure—perhaps even longer during recess? How can he square those two things? In my view, they simply cannot be squared.

James Brokenshire: It was precisely to ensure that legislation could be secured quickly that we have published the draft Bill now—to aid in that consideration and to ensure that matters could be dealt with swiftly. I recognise that the right hon. Gentleman does not accept the principle of emergency legislation, and I know that he has taken that approach consistently. There is a difference of view about the enhanced powers and the basis on which they are set, and I do not think that we are likely to resolve that difference between us.

8.15 pm

We believe that the provisions in the Bill are appropriate, and that they provide the necessary assurances about the risks and enhanced capabilities that the police and security services will have. However, as I have said, we sadly have to accept that there may be exceptional circumstances, which is precisely why we believe that it is appropriate for the Government to put in place the measures in the Bill and the draft Bill published last week. I am not going to second-guess anything, however, and I very much look forward to the scrutiny that will be applied to that draft Bill in the weeks ahead.

This has been a useful debate on a number of issues that I am sure the Joint Committee will consider further in relation to the draft Bill. I welcome the support for the new clauses contemplated in this group. It is, in our judgment, the appropriate way to proceed in framing the powers available under the TPIM Bill and why we equally believe, given the nature of the impositions that would otherwise be imposed, that those measures should be put on a different basis, why Parliament should be engaged in activating those measures in extreme circumstances and why we have sought to structure the Bill and the draft emergency Bill in the way that we have.

Question put and agreed to.

New clause 5 accordingly read a Second time, and added to the Bill.

New Clause 6

TEMPORARY POWER: SUPPLEMENTARY PROVISION

'(1) A temporary enhanced TPIM order, except for designated transitional and saving provision, ceases to have effect—

(a) at the end of the period of 90 days beginning with the day on which the Secretary of State makes the order, or

(b) at such earlier time (if any) as is specified in the order.

(2) The Secretary of State may by order revoke some or all of a temporary enhanced TPIM order if the Secretary of State considers it appropriate to do so (whether or not the Secretary of State would have power to make a temporary enhanced TPIM order by virtue of section (Temporary power for imposition of enhanced measures)(1)).

(3) As soon as practicable after making—

(a) a temporary enhanced TPIM order, or

(b) an order revoking any provision of a temporary enhanced TPIM order,

the Secretary of State must lay before each House of Parliament a copy of the order that has been made.

(4) Anything which has been done by virtue of a temporary enhanced TPIM order is not affected by the temporary enhanced TPIM order ceasing to have effect.

(5) In section (Temporary power for imposition of enhanced measures) and this section—

"appropriate", in relation to variations, or other provision, means such variations, or such other provision, as the Secretary of State considers appropriate;

"designated transitional and saving provision" means provision of a temporary enhanced TPIM order which is designated, in a temporary enhanced TPIM order, as transitional and saving provision for the purposes of this section;

"enactment" includes—

(a) an enactment contained in subordinate legislation within the meaning of the Interpretation Act 1978,

(b) an enactment contained in, or in an instrument made under, an Act of the Scottish Parliament,

(c) an enactment contained in, or in an instrument made under, Northern Ireland legislation, and

(d) an enactment contained in, or in an instrument made under, a Measure or Act of the National Assembly for Wales;

"enhanced measure" has the meaning given in section (Temporary power for imposition of enhanced measures)(3);

"enhanced TPIM notice" means notice by which the enhanced TPIM power is exercised;

"enhanced TPIM power" means the power to impose enhanced measures that is referred to in section (Temporary power for imposition of enhanced measures)(2);

"relevant provisions of this Act" mean all the provisions of this Act, apart from—

(a) section1 (abolition of control orders),

(b) section5(2) and (3) (extension of TPIM notices),

(c) section13(6)(a) (revival of TPIM notice after expiry),

(d) sections (Expiry and repeal of TPIM powers) (expiry and repeal of TPIM powers) and section (section (Expiry and repeal of TPIM powers): supplementary provision) (section (Expiry and repeal of TPIM powers): supplementary provision),

(e) section (Temporary power for imposition of enhanced measures) and this section,

(f) section25 (financial and supplemental provision,

(g) section27(1) and (2) (short title and commencement), and

(h) Schedules7 (minor and consequential amendments) and8 (transitional and saving provision);

"standard TPIM notice" means a notice under section2;

"temporary enhanced TPIM order" has the meaning given in section (Temporary power for imposition of enhanced measures)(2).'.—*(James Brokenshire.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 1

RELOCATION OF TERRORIST SUSPECTS

'The Secretary of State may include in a TPIM Notice a requirement that an individual shall reside at a specified address in any place in the United Kingdom if the conditions in paragraphs (a) or (b) are met—

(a) the Secretary of State must reasonably believe that the individual is more likely to be involved in terrorism-related activity if he resides at his own residence, or

(b) the individual is more likely to be involved in terrorism-related activity if he resides in a locality in the United Kingdom with which he has a connection.'.—*(Hazel Blears.)*

Brought up, and read the First time.

Hazel Blears: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following: New clause 2 —*Relocation of terrorist suspects (No. 2)*

'(1) The Secretary of State may impose a requirement for relocation on the individual if the Secretary of State has a reasonable belief that the individual will engage in terrorism-related activity if the individual remains at their current location.

(2) The individual may be relocated for residence purposes to a locality deemed appropriate by the Secretary of State and in line with this locality being a place or area of a specified description.

(3) This measure may remain in place for the duration of the TPIM.'.

Government amendment 16.

Amendment 5, page 16, line 21, leave out 'must' and insert 'may'.

Amendment 6, page 16, line 24, at end insert—

'(c) any other premises specified by the Secretary of State under section 2A(1)'.

Government amendments 17 and 18.

Amendment 7, page 18, line 11, at end insert—

'(3) A specified area or place or a specified description of an area or place may include the individual's own residence or a locality with which the individual has a connection in accordance with paragraph 1(4)(a) and 1(4)(b).'.

Hazel Blears: I am delighted that my new clause has been selected. The Minister will know from our lengthy debates in Committee that this is the issue about which I feel most passionately and which I believe is one of the biggest flaws in the Bill. The Government's decision not to have a power of relocation is fundamentally flawed and flies in the face of the evidence, of logic and not only of my personal views, but of the views of some very, very knowledgeable and experienced people in the police, of Lord Carlile, the independent reviewer, and of Lord Howard, the former Home Secretary—a range of people who feel that the Government are limiting their options for controlling suspected terrorists and providing the public with the security and protection that we, as parliamentarians, have a responsibility to try to achieve.

My new clause 1 is a simple and straightforward measure that would provide that the Secretary of State may include in a TPIM notice the power to direct that a terrorist suspect should reside at a specific address that is not his home address or an address with which he has a connection, as is provided for in current legislation. To tie the Home Secretary's hands in providing that a suspected terrorist has either to live at home or in the area where his known associates are gathered is absolutely ludicrous. Therefore, my amendment would provide that the Secretary of State may direct that the suspected terrorist is relocated to a different area so that they can be properly monitored and the public protected.

Richard Fuller: The right hon. Lady made a forceful opening to her comments, and I am interested to listen further. In her advocacy of enforced relocation, has she looked for inspiration to other democratic countries that forcibly relocate people who have not been subject to a trial?

Hazel Blears: There is a range of examples of countries that have attempted to deal with the threat for international terrorism with different legal provisions. France is often cited as a place where people are brought to trial under the criminal justice system. People are often held for months, if not years, under the investigatory process adopted by an inquiring magistrate. Indeed, the powers in some European countries are perhaps more draconian—the hon. Gentleman's words, not mine—than any that we have ever had on our statute book. Therefore, to try to portray our country as one that does not accord with the rule of law or have effective judicial oversight, as the hon. Member for Cambridge (Dr Huppert) has on a number of occasions, is an absolute travesty when we look at the real circumstances.

Richard Fuller: I am grateful to the right hon. Lady for giving way, and I shall enjoy the opportunity to ask her the question again. The question was not about draconian measures. She is advocating a specific measure—forced relocation—and my question was specific. What other democratic countries has she used as her inspiration

[Richard Fuller]

for this measure—which she makes out to be so important—which involves the forced relocation of people who have not been convicted in a trial?

Hazel Blears: I have not used any other country as my inspiration. What I have used, as my commitment in new clause 1, is a genuine analysis of the evidence provided by the police and other experienced people in the field in asking what measures we can take to ensure that the public are properly protected from the serious harm intended them by some of the most dangerous people in this country. It is right and proper that our Parliament should decide of its own volition what the appropriate measures are. We do not always look to other countries, which have very different legal systems to ours. I am absolutely convinced that the power of relocation can add to the security of this nation, which is my prime and most important concern when looking at this legislation.

I want to emphasise the point that the kind of people subject to either control orders or, in future, TPIMs are unfortunately some of the most dangerous people we could ever have to deal with in this country. There has been some suggestion that people who have been prosecuted through the criminal justice system are somehow more dangerous than those who are subject to administrative orders. If hon. Members looked at the judgments of High Court or Court of Appeal judges who have seen the intelligence and the information about the people upon whom we seek to impose such orders, they would perhaps revise their position. There are currently only 12 such individuals subject to control orders, and the expressions used by judges in relation to them include "trained soldiers" and "committed terrorists", determined to be martyrs to their cause and determined, whatever steps we take, to cause the maximum harm to innocent people in this country. Those are statements by judges, not given to florid language, having seen the intelligence that the services hold in relation to some of those people. We are talking about a maximum of a dozen people who are very dangerous indeed. That is the measure that we must use in asking what powers we seek to use, whether they are proportionate and whether they are the right powers. It is my submission that the power of relocation of some of the most dangerous people in our country—committed terrorists—is a proportionate.

Paul Goggins: I am sure that my right hon. Friend will give more details later about the case of BM, which involved one of the two relocation appeals challenged by the Home Secretary, successfully on both occasions. To underline what my right hon. Friend has just said, BM conceded in the hearing that took place—this was not a point made by the security services; he conceded it—that he is indeed

"committed to terrorism, in particular to terrorism in Pakistan",

and that he

"wishes to carry out that commitment by travelling to that region"

to take part in terrorist acts himself. It is by his own admission that that is the level of threat that he poses.

Hazel Blears: My right hon. Friend is absolutely right: in that case BM did concede that he was determined to carry out terrorist activity, and it was right that the power of relocation, which the Home Secretary had imposed relatively recently, was upheld as a necessary power to protect the public. This is not a case of draconian Governments, or authoritarian or totalitarian regimes wanting to impose controls for their own sake; it is always a matter of balance, and trying to mitigate the risk and draw the line in the correct place, so that we can maintain essential freedoms in this country, which include the freedom of the public to go about their law-abiding business without being threatened with death and destruction by some of the most committed terrorists in this country.

Mr McFadden: My right hon. Friend is making an eloquent speech about the reality of the situations that we face. Let me quote to her what the judge said about relocation in the case of CD:

"I have concluded that the relocation obligation is a necessary and proportionate measure to protect the public from the risk of what is an immediate and real risk of a terrorist related attack. While he is living in London there is a significant risk that he will take part in terrorism-related activities, notwithstanding the high level of protection implicit in the obligations which are not under challenge."

Does she agree that that shows the danger? Will she also speculate about why the Government are so determined to deprive the public, whom we represent, of the protections afforded by the current relocation provisions?

Hazel Blears: My right hon. Friend is absolutely right about the case of CD. We had a long discussion in Committee about the need for a relocation clause and about the judge's comments. Indeed, the judge in that case said that since CD's return,

"he has endeavoured to obtain firearms on a number of occasions from a number of associates for the purposes of putting into effect a planned terrorist attack, has held covert meetings with associates in relation to plans to use the firearms as part of his planned attack and has displayed a very high level of security awareness."

It was on those grounds that the judge decided that the relocation condition was absolutely appropriate in controlling CD's activities. As for my right hon. Friend's second question, about why the Government have been so reluctant to provide the Home Secretary with the power to relocate—not the duty to do so in every case, but the power where necessary—I believe that this is part of a political accommodation with the Liberal Democrats and that this will be revealed in all its rather distasteful details in due course.

Stephen Pound (Ealing North) (Lab): Everyone in this House knows the wealth, depth and breadth of my right hon. Friend's experience: she has seen evil in close quarters. However, does she not agree that we would not even need to discuss this issue if many of the people involved were deported and sent back to their countries of origin, as they should be? Would it not be a little more helpful if this multicoloured Government assisted us in that endeavour, in particular with memorandums of understanding, which they oppose so strongly? Then we would not have to worry about how many miles someone was from London, because they would be in Jordan.

Hazel Blears: My hon. Friend also has considerable experience in relation to terrorism and the necessary laws. We did our utmost to try to negotiate memorandums

of understanding with other countries so that deportation could take place. We were successful in a number of cases, albeit perhaps not with as many countries as we wanted. Equally, however, he must acknowledge that unfortunately we now have the issue of domestic, home-grown terrorists—people who cannot be deported and who were brought up in this country. Therefore, we need laws that provide sufficient security for those circumstances, as well as for where terrorists come from abroad.

I want to cite a bit of evidence, because evidence is important, and otherwise this debate is in danger of becoming a politician's polemic. I want to quote again from the evidence that DAC Osborne gave us in Committee. I am beginning to feel slightly sorry for the poor man. I questioned him quite vigorously on relocation, and he said:

"The relocation issue has been very useful for us being able to monitor and enforce at the current time. Without that relocation, and depending on where people choose to live, that could be significantly more difficult. Where the choice of residence will be and how many people are within an area will affect the complexities, but there are different environments that make policing easier or more difficult. People could choose to live in an area that was difficult to police in normal circumstances, and that would be even more difficult to police in relation to monitoring control order subjects."

He was then asked a very good question by my hon. Friend the Member for Newport East (Jessica Morden). She asked whether

"of all the measures available to you, is it fair to say that relocation is the most effective?"

DAC Stuart Osborne, the national co-ordinator for counter-terrorism, replied:

"Overall it probably is, yes."

That response comes from someone who has been engaged in dealing with suspected terrorists on a day-to-day operational basis. He says that relocation is the most effective measure that he could have to help him to police in these circumstances and to protect the public. That is a very powerful submission indeed. He went on to say of the provisions in the Bill:

"The new freedoms that will be given to individuals will significantly increase the challenges that we have to face".—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 22 June 2011; c. 5-6, Q10 and 14.]

DAC Osborne is a well respected police officer with considerable experience, and his views should be accorded some importance by the Government.

8.30 pm

We also heard evidence from Lord Howard. Like my hon. Friend the Member for Birmingham, Ladywood (Shabana Mahmood), I would not normally pray him in aid, but he said:

"If you ask me my personal view, however, I would have preferred the relocation provisions to have remained."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 22 June 2011; c. 17.]

Speaking from his experience as Home Secretary, he said that the provisions should be retained.

Lord Carlile was the independent reviewer for 10 years; he has not come to the issue recently. He has looked at every single control order and talked to the people who are the subject of the orders. He has gone into immense detail. He told the Committee:

"If an empirical decision has been made that somebody should be relocated and that decision has been upheld by the courts, there is generally a good reason for it. The risk is increased if one person has the relocation condition removed. If nine people have relocation conditions removed and therefore are all able to move closer either to one another, or to their contact to whom they would wish to be close, plainly you are right that there is an increased risk."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 22 June 2011; c. 17.]

There are currently nine control order suspects with a relocation condition.

More than half the present suspects who are subject to a control order come from London, and if the legislation goes through we face the possibility that they could return to London before the Olympics. In my view, that is a totally unnecessary risk to take. It places layers of risk upon risk. What better circumstances could al-Qaeda want for a spectacular event than the Olympics, when the world's eyes are upon us? Yet at the very same time, the Bill is proposing to deny the Home Secretary the power of a relocation clause that would ensure that some of those people would remain in other areas of the country—the midlands, Norwich, Leicester or wherever—and not congregate with their associates back in London, where they could resume their plotting and their attack capabilities.

Bob Stewart: I have asked this question of the Minister, but I have not yet had an answer. Would not enhanced TPIMs allow some form of internal exile or removal to another place? I ask because I am genuinely not sure, but if they would, we would at least have that provision in the legislation.

Hazel Blears: I acknowledge that the hon. Gentleman has asked that question but not received a response to it. I have the utmost respect for his experience in these matters. He is almost unique among us in having had experience on the ground of effective surveillance and the need to control terrorist suspects. In Committee, he thought very carefully about these issues, and he has already said tonight that he is concerned about the question of resources and that he might well consider supporting the Opposition's amendment. I would welcome it enormously if, having thought carefully about the relocation question, he felt able to support us on that as well, given his practical experience and amazing depth of understanding of these issues.

I just want to say a word about why we have ended up in this ludicrous position. I say this with respect to the Minister. I respect him, and he does his job with incredible dedication and commitment, but in these circumstances he has ended up in a position that might well come back to haunt him. I think he knows that that position is untenable. Effectively, his decisions are flying in the face of the evidence of the police, of Lord Carlile and of a former Home Secretary, and they will leave him without the power to order relocation, should he need it.

This brings us back to the language that the Liberal Democrats have used time and again in the debate on these issues. They have talked about house arrest and internal exile. It is my belief that the counter-terrorism review, which the Minister has sought to rely on to justify all the steps that he has taken, is a political accommodation. Before the election, the Liberal Democrats—

Tom Brake (Carshalton and Wallington) (LD) *rose—*

Hazel Blears: I am going to make this point. Before the election, the Liberal Democrats said that they wanted to see the complete abolition of control orders because they were an insult to our civil liberties and to democratic society. They made that decision prior to coming into government and certainly without being privy to the available intelligence about these suspects. In fact, in his evidence, Lord Carlile said:

"I have a concern about the genesis of this Bill. It arose from coalition politics—I am aware of the process that occurred—and it is a compromise...it is the sufficient lowest common multiple, and it will do. However, it does not provide as much public protection as control orders, and it would be foolish to ignore that fact."

He went on to say that

"my party made a serious mistake in committing itself to the abolition of control orders. It made that mistake understandably, however, because it did not have the information at the time."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee,* 21 June 2011; c. 21-22, Q 66-67.]

What we have seen is political rhetoric and a particular stance being taken by the Liberal Democrat part of the coalition, with the Conservative part finding itself in the unenviable position of trying to accommodate that situation. Because of the use of terms such as "house arrest" and "internal exile", the relocation powers became the centre around which this accommodation has had to be drawn.

Let me say to the Minister that the deal that was done will lead us to bad legislation and it will come back to haunt us. I hope and pray that we do not have an incident in which somebody who has not been subjected to relocation is able to resume his contacts with his co-conspirators, to further a plot to attack this country and to execute that plot because there was no power to relocate that person to another part of the country. I hope and pray that that will never be the case. I would certainly not have made the decision to deny a Minister the right to make a relocation order in order to reach a political accommodation.

In my view—I hope it is shared across the House and I hope the Minister shares it—national security is far too important to be the subject, as Lord Carlile said, of "coalition politics". This should be about a clear-headed analysis of risk and the steps that need to be taken that are proportionate to mitigate that risk. At the forefront of our minds and reflected in every step we take should be the protection of this country's innocent people so that they can walk the streets in safety and security.

I do not believe that the decision to deny the power of relocation meets any of those tests. It is illogical. I can only believe that the Bill has no power of relocation because of a political accommodation designed to enable the Liberal Democrat part of the coalition to save face by saying that it had done some kind of deal. That is why the Liberal Democrats are so angry about the prospect of a relocation clause being in the enhanced TPIMs Bill, because that would mean that the principle of a relocation clause had been conceded. I would be interested to know, particularly from the right hon. Member for Carshalton and Wallington (Tom Brake), whether he will support the enhanced TPIMs Bill when it comes up for scrutiny. Perhaps he will tell us now.

Tom Brake: I am happy to intervene; I had hoped that the right hon. Lady would give way earlier. As to the enhanced TPIMs Bill, what we have said is that we would need to consider the extraordinary circumstances that applied at the time. Certainly neither my hon. Friend the Member for Cambridge (Dr Huppert) nor I can envisage the extraordinary circumstances that would apply in which relocation powers would be acceptable. We will have to wait and see what scenario might develop.

Hazel Blears: That is a very interesting reply—that a Liberal Democrat cannot envisage the exceptional circumstances in which a relocation power might be necessary. I look forward to the scrutiny and to finding out whether there will be harmony between both parts of the coalition on this issue. I believe that the fault line that is emerging will go deeper and deeper, and I am sure that it will begin to crack as the debate goes forward.

My amendments are pretty straightforward. Ironically, the relocation power is available if there is police bail, but the amendments on police bail from the hon. Member for Cambridge (Dr Huppert) have not come forward. If police bail is granted, there is a relocation power. This is beyond the power of words to express. I cannot for the life of me see why a relocation power is acceptable if there is police bail, but not when we are dealing with a suspected terrorist, who might be one of the most dangerous people in the country. We can have a relocation power for someone involved in serious fraud or serious crime, but not for someone we suspect wants to harm hundreds of people through a terrorist act. Again, this defies logic. That is why I genuinely believe that this is the result of political accommodation not the result of a logical decision by Ministers.

Amendments 5 and 6 are consequential to the new clause, but amendment 7 is slightly different, and I should welcome the Minister's response to it. It seeks to ensure that it will be possible to exclude a terrorist suspect from an area although his own residence, or a residence with which he has a connection, may be in that area. At present there is a contradiction in the Bill. It is not clear whether the entitlement of a terrorist suspect to live in his own property, or in a property in an area where he has a connection, will take precedence over the exclusion power, or whether the exclusion power will take precedence over his right to remain in his own home.

For example, if a terrorist suspect's home were in east London, in the area of the Olympics, would he be allowed to live there, or could he be excluded? In Committee we were told that it would be possible to exclude people from the area of the Olympics—or, indeed, to exclude them from a whole borough of London, or even from the whole of Greater London. It seems to me that, as the Bill stands, if a terrorist suspect had a home in such a borough, or in London as a whole, the right of an individual to remain in his own home would take precedence over the exclusion power, and that strikes me as a gaping hole in the legislation. I must ask the Minister to think about that very carefully, and to consider supporting amendment 7 if he is certain that he wants the power to exclude people from areas of particular danger, which could include that around the Olympics.

Tom Brake: It gives me great pleasure to rise to oppose the amendments tabled by the right hon. Member for Salford and Eccles (Hazel Blears), and first of all to

deal with her oft-repeated allegation that getting rid of relocation is a sweetener for the Liberal Democrats. She quoted Lord Carlile, and clearly that is his view, but I should be interested to know what evidence he has to support his contention. Equally, the right hon. Lady might want to offset his view against that of Lord Macdonald. I think it incumbent on her to produce more evidence to support her allegation that a stitch-up or deal has been done on behalf of the Liberal Democrats. She was, of course, a member of the Bill Committee and she will have heard a number of Conservative Members speak out against powers of relocation, so I think she will know that it is incorrect to suggest that only Liberal Democrats are advancing this argument.

The right hon. Lady says that she feels strongly about the issue. So do I. I wonder whether she has had a chance to talk to some of the people who have been subject to control orders that have subsequently been quashed because it was found that there was no genuine or strong evidence against them. I wonder whether she has heard from those people about the impact of relocation on them as individuals, and on their families. I think that if she wants to be fully informed about all aspects of the matter, she should hear from people who have subsequently been found to be innocent.

As the right hon. Lady may know, I have heard from a reliable source that of the people who are currently held under control orders, probably two or three present a real and serious threat to United Kingdom security. I acknowledge that—clearly—a limited number of people do represent a serious threat, and I think that that is why the Government have rightly announced that the package of measures to get rid of relocation will include additional surveillance resources to ensure that security and safety are maintained.

Bob Stewart: If one or two people might create a threat, why are we tying the hands of the Home Secretary? The provision does not have to be used, but what worries me is that we might need it for just one or two people. Why should we decide that we cannot use such a facility?

Tom Brake: The reason I do not think we should use it is linked to what was said earlier about the term "internal exile". I know that the right hon. Lady does not like the phrase "internal exile", but in practice that is what we are talking about. She was asked whether she took inspiration from any democratic countries in adopting the policy of relocation and she said that she did not. I suspect that she may have found it hard to find inspiration in the extent to which other democratic countries allow such a policy, so she has been inspired herself to come forward with the proposal to reinstate relocation.

That gets to the heart of what the debate is about. It is about where the balance between civil liberties and security lies and where we can achieve enhanced civil liberties at the same time as maintaining security. That is where the additional surveillance that the Government are putting in place kicks in.

8.45 pm

Therefore, I am happy to oppose the proposals. Relocation is to all intents and purposes internal exile. If the overriding threat scenario emerges at some point, we may have a debate about the enhanced powers in this place and in the Lords and that will be the appropriate way forward. We can then discuss whether relocation is required in those circumstances, but to have it on the statute book now as something that the Government could be tempted to adopt, would be regrettable. That is why I am happy to oppose the right hon. Lady's new clause.

Shabana Mahmood: I am mindful of the time, so I will try to keep my comments relatively brief.

I endorse the powerful contribution made by my right hon. Friend the Member for Salford and Eccles (Hazel Blears). She spoke with great passion about an issue that has concerned her for some time. It certainly concerned her in Committee, and it has concerned Opposition Front Benchers, too.

Relocation has been a central issue in the debates that we have had about the Bill, both on Second Reading and in Committee, and it is one of the most important issues that we are taking forward on Report. New clause 1 seeks to add the power of relocation to the Bill to replicate the position in relation to control orders under the Prevention of Terrorism Act 2005.

It is clear from the evidence that the relocation power has proved extremely useful in disrupting terrorist activity. It is regularly described by police and others as one of the most useful and effective powers that they have under the control orders regime. We know that nine of the 12 current control orders have relocation as part of the control order.

The importance of relocation as a measure to be made available to the police in meeting the terror threat was made clear at the evidence sessions held by the Public Bill Committee. We heard evidence from Deputy Assistant Commissioner Stuart Osborne, for whom, like my right hon. Friend said, I am starting to feel slightly sorry. She quoted him, but I will repeat the important bit of the quote again because it will concentrate the mind of the House:

"The relocation issue has been very useful for us being able to monitor and enforce at the current time. Without that relocation, and depending on where people choose to live, that could be significantly more difficult."

He added:

"The new freedoms that will be given to individuals will significantly increase the challenges that we have to face, and managing those challenges will increase the resources that we need. The degree to which we are successful in managing them depends on both the extent of the Bill and the additional resources that we get."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 21 June 2011; c. 5-6, Q 10 and 14.]

The importance of relocation as a measure was further highlighted by Lord Howard and Lord Carlile. Lord Howard, the former Home Secretary, has described the power as the single most useful power in ensuring that the package of measures that we have is sufficient to keep us safe.

It is clear from the evidence that the police gave to the Committee that the additional risk created by removing relocation from the TPIMs regime could be mitigated by the additional resources, but it would not be eliminated and there are of course degrees of mitigation. In Committee, DAC Osborne was only "hopeful" that the risk would not increase if the Bill were passed, which does not fill me with a huge amount of confidence.

[Shabana Mahmood]

It is clear, and we must recognise, that there is an irreducible minimum number of people who pose a serious threat to our country and we have to have an adequate and effective way to manage that risk. Relocation is clearly an important part of that package of measures. It is our view that, if the new clause is added to the Bill, the policing challenge that DAC Osborne and others will face will be reduced and our collective security protected. It has always been our concern that if this Bill closes off the power of relocation to the Home Secretary—if it deprives her of being able to use that power—that would deprive her of an incredibly important tool in her kit bag for dealing with the threat posed by a very small number of people. For those reasons, we will support new clause 1 in the Division.

Richard Fuller: It is a pleasure to be able to make a brief contribution to this debate.

I listened to the rhetoric of the right hon. Member for Salford and Eccles (Hazel Blears) in her opening speech in support of her new clause, and it made me even more scared about giving Administrations a fiat on the treatment of people in our judicial system, rather than leaving that with the judges. On many occasions, both in this debate and in Committee, the right hon. Lady talked about the importance of balance, but I feel that, in the sharpness of her rhetoric and the blithe way challenges were laid down and comments were made about loosening and potentially putting us at risk, her speech did not betray any balance whatever. That highlights one of the risks in giving the Executive the power to restrain and control people who have not been brought to justice. Both in the specific instance of relocation and more generally in the tone of Opposition Members, a disservice is being done to this Government's attempts to return us to some semblance of the traditions of British justice that we achieved before the period of the so-called "war on terror"—before 2001—and we should remember that control orders were not introduced until 2005, and that therefore they were not in place between 2001 and the Iraq war, which some would argue was the period of greatest risk.

I wish to make a couple of comments on the specific issue of relocation. I have a lot of respect for the right hon. Lady and I do not mean to pick on her; I am just picking on her point. I challenged her earlier about democratic countries from which she drew inspiration. I could not think of any either, so I did some research on a well-known search engine. I looked up forced relocation of individuals. Kazakhstan featured prominently. There were also a few honourable mentions for Cambodia—not the current Cambodian Government, but I think we can work out which Government—and for Burma. Kazakhstan, Cambodia and Burma are not exactly the paragons of virtue in this respect that I would like our Government to follow as they attempt to strike the difficult balance of maintaining both the security of the nation and the liberty of the individual.

May I also refer to one not particularly tabloid-friendly comment on relocation? A number of Members have talked about meeting people who are subject to a control order or its equivalents and who have been subject to relocation. We must remember that those subject to control orders have not yet gone through full justice in our country. Many other countries, including the United States, have laws against cruel and unusual punishment. Relocation has the most significant negative impact on the mental health of these individuals. In evidence in Committee, Dr Korzinski said:

"What I am concerned about...is the absence of any sort of safeguards with respect to the impact on the mental health of the individuals who are subjected to these regimes. I can say quite unequivocally that it has been catastrophic in all the cases that I have worked on."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 21 June 2011; c. 43, Q121.]

That may not be the most popular of reasons to oppose the right hon. Lady's new clause, but there are also many others, such as support for our justice system and achieving that balance that she advocates, but which I do not think she spoke to today. I shall support the Government on this new clause.

James Brokenshire: My hon. Friend the Member for Bedford (Richard Fuller) made some powerful and important points in his succinct contribution.

As I think the right hon. Member for Salford and Eccles (Hazel Blears) accepted in her opening comments, we are revisiting a subject that we debated in detail in the Public Bill Committee, when amendments with the same effect were tabled by Opposition Members and the same arguments were made in support of them. As was made clear following the carefully considered counter-terrorism review, despite the aspersions that the right hon. Lady seeks to cast, the Government concluded that it should not routinely be possible under the TPIM system to require an individual to relocate, without consent, to another part of the UK.

The debate in Committee frequently turned to the question of balance—specifically, the balance between protection of individual liberty and security for the wider population. This is an area where there is a very careful balance to be struck, and where views on where the right balance is may differ. The previous Government took the view that compulsory relocation was necessary as one of a wide range of potential obligations under the control order provisions. Our conclusion, as we made clear in January, is that a more focused use of the restrictions available under the Bill, together with the significantly increased funding we are providing for covert investigation, will allow us to protect the public effectively without the need for this potentially very intrusive power to be routinely available. That is where our approach departs from the Opposition's, and why we are seeking to strike a different balance from that marked out by them.

Bob Stewart: The Minister used the word "routinely". Does he mean that this is something that does not normally happen, but could?

James Brokenshire: To be clear, when I say "routinely" I am talking about powers routinely available under the TPIM Bill, accepting that there is a draft Bill that we tabled last week, and the exceptional circumstances when those powers may be available, which we discussed earlier today. Of course, we will be able to use the robust powers in this Bill to disrupt an individual's involvement in terrorism-related activity by, for example, requiring them to reside and stay overnight at a particular address in their locality, so that they can be easily monitored;

requiring them to abide by other restrictions on their movements overnight; banning them from areas or places where they might meet extremist associates or conduct terrorism-related activities; prohibiting their association with individuals of concern and requiring prior notice of association with other individuals; requiring them to report regularly to a police station and to co-operate with electronic tagging; restricting and monitoring their financial activities; and limiting their communications to a small number of approved devices.

That is why I say clearly that the TPIM Bill provides robust measures to address the risks posed by such individuals, allied to the additional resources being provided to the police and the Security Service, and that that is the right package of measures to have in place. Indeed, as the House is aware, the director general of the Security Service has told the Home Secretary that he is content that the TPIM Bill provides an acceptable balance between the needs of national security and civil liberties, and that the overall package mitigates risk.

Mr David Winnick (Walsall North) (Lab): As someone who had many reservations about the previous regime and the methods that were used, I, for one, can see very little difference between what this Government are doing and what the previous Government did. At the end of the day, despite all the criticism that was made, particularly by the Liberal Democrats in the last Parliament, by and large, what happened before the election is happening again.

James Brokenshire: I ask the hon. Gentleman with all due respect please to read the Bill. He will see that there are significant and important differences that I cannot address in the two minutes remaining to me. However, we have always been clear that there may be exceptional circumstances where the measures in the Bill, together with the additional resources, may not be sufficient to manage effectively the risk we face. National security is the primary duty of any Government, and we will not put security or the public at risk. That is why we concluded, as announced by the Home Secretary in January, that there may be exceptional circumstances where it would be necessary to seek parliamentary approval for additional, more restrictive measures. The review included a commitment that emergency legislation would be drafted, and that is what we tabled last week.

In a free society, we must challenge ourselves to fight terrorism using a targeted set of powers, safeguarding our hard-won civil liberties and prosecuting terrorists wherever possible. However, we must also ensure that those powers are sufficiently robust to meet the threats we face and sufficiently flexible to protect the public in changing circumstances, including in exceptional circumstances. I believe that the Government's approach to this difficult issue is the right one and—I come back to balance being the essence—does strike the proper balance in giving us that right mix of disruption and ensuring protection for civil liberties. I am sorry that the Opposition do not appear—

9 pm

Debate interrupted (Programme Order, 7 June).

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

The House divided: Ayes 213, Noes 314.

Division No. 332] **[9 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Esterson, Bill
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jamieson, Cathy
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg

McCrea, Dr William
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Graham Jones and Lyn Brown

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Corbyn, Jeremy
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Durkan, Mark
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Llwyd, rh Mr Elfyn
Long, Naomi
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Macleod, Mary
MacNeil, Mr Angus Brendan
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen

Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Weir, Mr Mike
Wharton, James
Wheeler, Heather
White, Chris
Whiteford, Dr Eilidh
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wishart, Pete
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George

Tellers for the Noes:
Mark Hunter and
Mr Philip Dunne

Question accordingly negatived.

The Deputy Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 12

VARIATION OF MEASURES

Amendment made: 9, page 7, line 16, at end insert—

'(3A) An application under subsection (2) must be made in writing.

(3B) The Secretary of State may by notice request the provision, within such period of time as the notice may specify, of further information from the individual in connection with an application under subsection (2).

(3C) The Secretary of State is not required to consider an application further unless any information requested under subsection (3B) is provided in accordance with the notice mentioned in that subsection.'.—*(James Brokenshire.)*

Clause 13

REVOCATION AND REVIVAL OF TPIM NOTICES

Amendment made: 10, page 8, line 3, after 'notice")' insert 'at any time'.—*(James Brokenshire.)*

Clause 19

REPORTS ON EXERCISE OF POWERS UNDER ACT

Amendment made: 11, page 11, line 41, at end insert—

'(4) Subject to subsection (5), this section does not require a report to be made in relation to any time which falls after the Secretary of State's TPIM powers have expired or been repealed under section (Expiry and repeal of TPIM powers), except for the period of 28 days referred to in section (Expiry and repeal of TPIM powers: supplementary provision)(2).

(5) If the Secretary of State's TPIM powers are revived under section (Expiry and repeal of TPIM powers)—

(a) the reference in subsection (1)(a) above to the month in which this Act is passed is to be read as a reference to the month in which the revival takes effect; and

(b) this section applies accordingly.'.—*(James Brokenshire.)*

Clause 20

REVIEWS OF OPERATION OF ACT

Amendments made: 12, page 12, line 12, leave out from beginning to 'before' in line 13 and insert

'On receiving a report under subsection (4), the Secretary of State must lay a copy of it'.

Amendment 13, page 12, line 17, at end insert—

'(7) Subject to subsection (8), this section does not require a review to be carried out in relation to any time which falls after the Secretary of State's TPIM powers have expired or been repealed under section (Expiry and repeal of TPIM powers), except for the period of 28 days referred to in section (Expiry and repeal of TPIM powers: supplementary provision)(2).

(8) If the Secretary of State's TPIM powers are revived under section (Expiry and repeal of TPIM powers), the independent reviewer must carry out a review of the operation of this Act in respect of—

(a) the period which—

(i) begins when the revival takes effect, and

(ii) ends with the end of the calendar year in which the revival takes effect; and

(b) each subsequent calendar year.

(9) In such a case, this section and the other provisions of this Act apply as if references to a review under subsection (2) were references to a review under subsection (8).'.—*(James Brokenshire.)*

Clause 21

OFFENCE

Amendments made: 14, page 12, line 31, after 'conviction' insert

'in England and Wales or Northern Ireland'.

Amendment 15, page 12, line 32, at end insert—

'(c) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months or to a fine not exceeding the statutory maximum, or to both.'.—*(James Brokenshire.)*

Clause 27

SHORT TITLE, COMMENCEMENT AND EXTENT

Amendment proposed: 20, page 15, line 41, leave out from 'Act' to end of line and insert

'will come into force the day after the Home Secretary reports to Parliament to confirm that paragraphs (a), (b) and (c) below have been complied with—

(a) no later than one month after the day on which this Act is passed, the Senior National Co-ordinator for Counter-terrorism will produce a report to the Home Secretary detailing the additional required resources ("required resources") that will be needed to manage the increased risks arising from the repeal of the Prevention of Terrorism Act 2005 and the passing of this Act;

(b) no later than two months after the day on which this Act is passed the Home Secretary will agree with the Senior National Co-ordinator for Counter-terrorism the required resources under paragraph (a) and the timetable for such required resources becoming deployable for use in implementing and managing measures relating to TPIM notices;

(c) this Act cannot come into force until the required resources as agreed under paragraph (b) above are made available and ready for deployment.'.—*(Shabana Mahmood.)*

Question put, That the amendment be made.

The House divided: Ayes 210, Noes 311.

Division No. 333] **[9.15 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Beith, rh Sir Alan
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, rh Sir Menzies
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Esterson, Bill
Field, rh Mr Frank
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jamieson, Cathy
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Shuker, Gavin
Slaughter, Mr Andy
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark

Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Graham Jones and Lyn Brown

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Carmichael, rh Mr Alistair
Carmichael, Neil
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Corbyn, Jeremy
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Durkan, Mark
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Llwyd, rh Mr Elfyn
Long, Naomi
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Macleod, Mary
MacNeil, Mr Angus Brendan
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark

Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Waller, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Weir, Mr Mike
Wharton, James
Wheeler, Heather
White, Chris
Whiteford, Dr Eilidh
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wishart, Pete
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George

Tellers for the Noes:
Mark Hunter and Bill Wiggin

Question accordingly negatived.

Schedule 1

TERRORISM PREVENTION AND INVESTIGATION MEASURES

Amendments made: 16, page 16, line 7, leave out sub-paragraphs (1) and (2) and insert—

'(1) The Secretary of State may impose restrictions on the individual in relation to the residence in which the individual resides.

(2) The Secretary of State may, in particular, impose any of the following—

(a) a requirement to reside at a specified residence;

(b) a requirement to give notice to the Secretary of State of the identity of any other individuals who reside (or will reside) at the specified residence;

(c) a requirement, applicable overnight between such hours as are specified, to remain at the specified residence.'.

Amendment 17, page 16, line 30, after 'locality' insert 'in the United Kingdom'.

Amendment 18, page 17, line 3, leave out sub-paragraphs (7) to (9) and insert—

'(7) A requirement of the kind mentioned in sub-paragraph (2)(c) must include provision to enable the individual to apply for the permission of the Secretary of State to be away from the specified residence, for the whole or part of any applicable period, on one or more occasions.

(8) The Secretary of State may grant such permission subject to either or both of the following conditions—

(a) the condition that the individual remains overnight at other agreed premises between such hours as the Secretary of State may require;

(b) the condition that the individual complies with such other restrictions in relation to the individual's movements whilst away from the specified residence as are so required.

(9) "Agreed premises" are premises in the United Kingdom which are agreed by the Secretary of State and the individual.

(10) Sub-paragraph (8) is not to be read as limiting—

(a) the generality of sub-paragraph (7) of paragraph 13 (power to impose conditions when granting permission), or

(b) the power to impose further conditions under that sub-paragraph in connection with permission granted by virtue of sub-paragraph (7) of this paragraph.

(11) In sub-paragraph (7) "applicable period" means a period for which the individual is required to remain at the specified residence by virtue of a requirement of the kind mentioned in sub-paragraph (2)(c).'.—*(James Brokenshire.)*

Schedule 4

PROCEEDINGS RELATING TO TERRORISM PREVENTION AND INVESTIGATION MEASURES

Amendment made: 19, page 30, line 19, leave out '56' and insert '56(1), (2) and (4)'.—*(James Brokenshire.)*

Third Reading

9.28 pm

James Brokenshire: I beg to move, That the Bill be now read the Third time.

I would like to begin by thanking the right hon. and hon. Members who sat on the Public Bill Committee. I can genuinely say that it was one of the best Public Bill Committees that I have been involved in. The Bill underwent tough and detailed scrutiny. There was active participation and there were excellent contributions from both sides. I am sure Members who sat on the Committee will agree that it was lively and robust, but good natured. That is when Parliament excels and does its job properly. The Public Bill Committee certainly did that.

The Committee benefited from the considerable knowledge and expertise of several Members including my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) and the right hon. Members for Wythenshawe and Sale East (Paul Goggins) and for Salford and Eccles (Hazel Blears). I am grateful for the contributions of those Members and other Members of the Committee to this debate. I also thank the Chairmen of the Committee and the officials, Officers and staff of the House who enabled the Committee's work to take place. We have had a full and detailed discussion of this important piece of legislation on Report, with many excellent contributions from all parts of the House.

We have made it clear from the outset that we are committed to prosecuting and deporting terrorists wherever possible and that our starting point will always be that terrorists should be behind bars. I know that that is the position of everyone in the House. We recognise, however, that there are likely, for the foreseeable future, to be a small number of individuals who we believe are involved in terrorism but whom we cannot successfully prosecute or deport. The purpose of the Bill is to put in place the measures needed to deal with them.

The Government have thought long and hard about what legislation is needed. We conducted a comprehensive and detailed review of all the key counter-terrorism powers, including control orders. As a result of that review, we concluded that control orders were not properly targeted and not entirely effective, and that they should be replaced with the system of prevention and investigation measures that is set out in the Bill.

The Bill includes all the measures that we believe are necessary to deal with those we cannot prosecute or deport, including an overnight residence requirement; a travel measure allowing the banning of overseas travel without permission; measures restricting individuals from entering particular areas or places; an electronic communications device measure that will restrict the individual's ability to use communications devices; and a financial services measure that will allow individuals to be limited to only one bank account, for which they will have to provide statements. The transfer of money and goods overseas without prior permission could also be prohibited.

The Bill also includes an association measure, under which a list of prohibited associates would be provided to the individual in advance, with the possibility that advance notice might be required for meeting other individuals; a reporting measure that would require the individual to report to a particular police station at a particular time; and a monitoring measure that would require the individual to co-operate with arrangements, including electronic tagging, to monitor their movements, communications, and other activities.

The Bill includes additional safeguards, including an increase in the threshold for the imposition of a TPIM notice from reasonable suspicion of involvement in terrorism-related activity to reasonable belief, and a two-year overall time limit for a TPIM notice. We believe that TPIMs, together with the significant extra resources that are being given to the police and Security Service for covert investigation, strike the right balance between robust measures to protect the public and the protection of civil liberties.

I do not intend to go over the issues that we discussed in detail on Report, but I wish to say something about the draft Enhanced Terrorism Prevention and Investigation Measures Bill, which we published for pre-legislative scrutiny on 1 September. Some have claimed that publishing it means that the Government have made some sort of U-turn, and that we are trying to reintroduce more stringent powers through the back door. That is absolutely not the case.

The review of counter-terrorism and security powers that was announced on 26 January made it clear that additional restrictive measures may be required in exceptional circumstances, and that we would produce draft legislation to cover such a situation. That is exactly what we have done. We do not believe it is necessary to have those additional measures in the current Bill, and we sincerely hope that they will never be required, but we think it is right to have the draft legislation available should there be exceptional circumstances that require it, and that Parliament should have the chance to consider it in detail now.

The Government believe that the approach that the Bill sets out is the right one. It protects the public and civil liberties, it is both robust and fair and I commend it to the House.

9.33 pm

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I join the Minister in commending those who have participated in the debates both in Committee and in the House today. This debate has been serious and important, and we have heard considerable expertise from all parts of the House in the discussions that have taken place.

Counter-terror policies are extremely important. They are vital to public safety, so our approach is, wherever possible, to seek to support the Government in their counter-terror policy. However, tonight we cannot. We cannot vote for the Bill because we do not believe it is the right thing to do for our national security. We do not take that decision lightly, but we are afraid that the Government are taking unnecessary risks with national security and public safety by introducing the Bill, and we do not believe that Parliament should support that approach tonight.

Control orders are not desirable but, sadly, they are needed. That is why they were introduced. However, the Bill, in its response to control orders, raises some serious problems: it weakens counter-terror protection in important ways; it weakens the safeguards—the checks and balances—that are needed to prevent abuse; it does not live up to the promises that were made about it; and it creates a shambolic legislative process and legal framework that will make it harder, not easier, for the police and the security services to do their job and keep us safe.

From the start, concerns were raised that the Bill was simply a fudge. Control orders are being replaced with something very similar. Curfews are being replaced with overnight residence requirements, and restrictions on movement and communications are being replaced with prescriptions on movement and communications. However, in key areas, the Bill weakens the powers of the Home Secretary to deal with very difficult cases.

My hon. Friends the Members for Birmingham, Ladywood (Shabana Mahmood) and for Bradford South (Mr Sutcliffe) set out in Committee a series of our concerns and tabled amendments. Today we heard my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins) set out his concerns and very powerfully speak to amendments on additional measures. My right hon. Friend the Member for Salford and Eccles (Hazel Blears) spoke to amendments on relocation, and my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) spoke of specific Opposition security concerns. That is particularly important in Olympic year.

I shall focus particularly on our concerns about relocation—they were discussed on Report, but they are fundamental on Third Reading. In some cases, the courts, the security services and this Home Secretary have agreed that the power to relocate someone to prevent terrorist activity is needed and justified. In May this year, just four months ago, the Home Secretary argued in the case of CD that he needed to be removed from Greater London to protect the public from a terrorist attack. The judge said:

> "I have concluded that the relocation obligation is a necessary and proportionate measure to protect the public from the risk of what is an immediate and real risk of a terrorist attack."

That was just four months ago, but now the Home Secretary believes that those powers are not needed. What has really changed since May?

In July of this year, just two months ago, the Home Secretary said in the case of BM that relocation outside London was "fundamental" to preventing terrorist activity. In that case, BM admitted that he was committed to terrorism. The Home Secretary now believes that those powers are not needed. Again, what has really changed since July?

[Yvette Cooper]

Ministers claim that they will put more surveillance in place, but the Met expert on this, when giving evidence to the Public Bill Committee, said:

"To get the resources that we anticipate we need will take more than a year, in terms of being able to get people trained and to get the right equipment."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 21 June 2011; c. 9, Q27.]

It is simply not credible that the security environment has changed so substantially in the past two or four months that the powers were needed then but are not needed now. Are the Government really telling us—in Olympic year, of all years—that the powers are less needed in the coming year than they were last year, when this Home Secretary has felt that she needed to use them five times?

Ministers have conceded that the powers could be needed, but they are promising only emergency legislation to solve the problem. However, that is a deeply disorderly and shambolic response. It is not fair on the police or security services—or, ultimately, on the public—to say, as the Minister has today, that the Government cannot tell us in what circumstances the emergency legislation will be passed. When pressed, he suggested that it might be passed in the case of multiple threats or in the wake of a terrorist attack, but neither circumstance applied in the cases of CD or BM, when the Home Secretary decided that the powers to relocate were needed.

Ministers know that it is hard to predict how long primary legislation will take, even when there is an imminent threat. The Joint Committee on the emergency legislation, which the Home Secretary set up, concluded that it was a flawed response to difficult counter-terror situations. That is not the way to set a stable framework for our security services to operate, and removing powers in one Bill and promising to reinstate them in unspecified circumstances is a chaotic way to treat Parliament.

While the Government are weakening the counter-terror powers, however, they are at the same time weakening the safeguards, the checks and balances and the parliamentary oversight. Our view is that we need strong powers but also strong checks and balances, so the Government are wrong to remove the annual vote and recourse to Parliament. These powers should be treated as exceptional, not routine. If Parliament is prepared for such powers to be used, as I believe it should be, it should also be prepared and required to reflect on those exceptional powers each year, rather than waiting until 2017. Indeed, the Liberal Democrats should reflect carefully on what they have really achieved in this process, because if this emergency legislation is passed, not only will we be back where we started—round the Houses, through two new laws and back again—but we will have restored all the same security powers, but with fewer checks and balances in place than we had when we started with control orders.

Instead of amending or withdrawing the Bill in the face of these problems, the Government have tied themselves in knots because they are still in thrall to their irresponsible pre-election promises. Legislation that began as a political fudge now looks more like treacle. This is not a responsible approach to national security, and nor is it a responsible approach to Parliament. I hope that the decisions that the Home Secretary and the House are taking tonight do not prove dangerous, but on the basis of the evidence and expert advice that we have, the Opposition do not believe that it is right to take the risk. We will not be supporting the Bill on Third Reading tonight.

Several hon. Members *rose—*

Mr Speaker: Order. There are five Members seeking to catch my eye. I know that they are perfectly capable of doing the arithmetic for themselves.

9.43 pm

Richard Fuller: Unlike the shadow Home Secretary, many of us regard this as a lost opportunity to put behind us legislation that is a scar on our constitutional and judicial structures. References have been made to 9/11, which we will be remembering this Sunday. I was in New York on that day, and the memory is still visceral. The event has unleashed a decade of sometimes good, sometimes poorly thought through legislative responses to real and apparent and sometimes not-so-real threats. Over the years, there has been growing opposition to some of those more extreme measures—the push for 90 days' detention without trial, the preamble to the Iraq war, with the promotion of non-plots, such as the ricin plot, and the sexing up of dossiers as a basis for our going to war, and of course the control orders. These are all part of an approach to the control of terror that says there is never enough doubt.

This is not a point of balance. We need to have a balance for the rights of all people in this country, and one of the most sacred rights is the right to a free and fair trial. That opportunity has been lost today, but I believe that my right hon. Friend the Home Secretary has done her best to have a thorough and meaningful review of the measures that the Government consider appropriate for the times. This is not a mere nod-through of legislation. The debate has been robust.

Hazel Blears: Will the hon. Gentleman give way?

Richard Fuller: Very briefly, yes.

Hazel Blears: I am grateful to the hon. Gentleman. I know that he does not have much time. These are obviously incredibly difficult issues for anybody to determine. What would he do with the handful of people for whom prosecution is not an effective route—because of the need to safeguard intelligence—and who cannot be deported or taken through the criminal justice system, but who pose a significant threat to the safety of the decent, law-abiding people in our country?

Richard Fuller: That is an interesting challenge. I will be brief. I simply would not accept the premise that we cannot take them through the criminal justice system. The whole thrust of my perspective is that we should always seek to do that. That is what I would try to persuade Governments of all hues to do. When people, of any hue, get to the Front Bench, they always have access to more information than the rest of us. It is hard for the Executive branch ever to give up counter-terrorism powers, because they would face the sort of challenge that we have heard from the Opposition Front Bench this evening—that perhaps there is some risk or that someone will be caught out as a result of the changes. However, it was always a risk that something could go wrong, even under control orders. The reason it is

wrong to give such powers exclusively to the Executive and why they should rightly be in the hands of the judiciary is that the judiciary can make a fair, non-political response to the matters of fact before it.

However, that opportunity has been lost. We shall again have to go through secret evidence, secret hearings, special advocates and no access for the suspect to the evidence against them. I trust our Home Secretary in her review, as many other hon. Members have said they do. We trust that she has done this for balance, and we hope that she is right. However, let me end with a quotation by Shami Chakrabarti of Liberty, which has been strongest in its opposition to the legislation:

"But under that Act"—

the Bail Act 1976—

"you are heading for a charge…It may be a long process…but at least you can stand outside the Old Bailey saying, 'Justice has been done'…The problem with these administrative, shadowy, quasi-judicial systems is that they potentially go on for ever and you never know why."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 21 June 2011; c. 50, Q137.]

We will put this Bill to a vote this evening, and I am sure that the Government will succeed. We will review the position again in five years and hopefully lose this part of our legislation.

9.46 pm

Paul Goggins: I thank the Minister for his generous remarks about right hon. and hon. Members on the Opposition Benches. In return, let me say that whatever differences we have had—and we have had a few, in Committee and again today—he has been courteous, generous, thoughtful and constructive throughout. I thank him for that. Indeed, it is quite ironic that Opposition Members keep arguing that he and the Home Secretary should be trusted more. It is Members on the Government Benches who do not seem to want to do that.

When the Bill was first published and when we debated it on Second Reading, some commentators described it as "control orders lite". Many comments were made to that effect and, indeed, on close examination much of the wording in the Bill appears—shall we say?—to be very similar to the wording of the Prevention of Terrorism Act 2005. However, it has become absolutely clear in our debates that there are substantial differences between us in relation to the two-year limit, relocation, which has been debated again today, access to telephones and crucially—this is increasingly important—the timing of the commencement of the Bill's provisions. We in the Opposition have tried through amendments to make constructive suggestions.

Let me say that party advantage in this case is cast aside, and I know that the Minister understands and believes that. This is about protecting the public: that is the only thing that motivates me and my right hon. and hon. Friends to get the legislation right. However, I now fear that the Government are in the worst of all places, because in publishing the detailed draft legislation last week they conceded that the provisions in the Bill that we are now debating are not sufficient in certain circumstances. There may be circumstances where the enhanced powers would be required, yet because primary legislation would be required to bring them into force, the hands of the Home Secretary are tied. Time is crucial, and my right hon. and hon. Friends and I would certainly want to give the Home Secretary those powers, so that she can use them when she judges that to be appropriate. I hope that further consideration in the other place will lead to at least some changes, so that the Home Secretary is empowered to protect the nation rather than having her hands tied behind her back.

I would caution hon. Members on pre-legislative scrutiny, because, as I told the Minister earlier, I was on the Committee that considered the draft legislation for pre-charge detention. That Committee came to a unanimous view—that such legislation is unsatisfactory and unreliable—but apart from one concession, I do not think that it found a listening ear among Ministers.

Let me finish. I have paid tribute to the way in which the Minister has conducted these debates, but surely he must find it at least ironic, if nothing else, that two days after we completed consideration of the detail of the Bill in Committee the Home Secretary wrote to the court in the case of BM to say that a relocation condition was essential. Thank goodness she was successful and the judge found in her favour. Relocation may be necessary on occasions; it should be in the Bill, as should the other measures I have mentioned.

9.49 pm

Dr Huppert: On Second Reading, I said that I supported clause 1 wholeheartedly, but that I had reservations about clauses 2 onwards. I feel exactly the same now. We still have the same problems in that Executive power is being used and that it is outside our legal system. I wholeheartedly disagree with the approach being taken by the Opposition. The shadow Minister, the hon. Member for Bradford South (Mr Sutcliffe), has said, astonishingly:

"Unfortunately, there are times when people have to be outside the legal framework."—[*Official Report, Terrorism Prevention and Investigation Measures Public Bill Committee*, 23 June 2011; c. 57.]

I find that absolutely horrific. It is possible to do all this within a legal framework, as my hon. Friend the Member for Bedford (Richard Fuller) has said. In Committee, I tabled amendments on police bail. I proposed a different model on Report, but unfortunately we did not have an opportunity to discuss it. They were slightly different models—the details were different—but they showed that there is a way forward, and that we can find a normal, legal way of pursuing this process.

I do not welcome TPIMs—I certainly do not welcome enhanced TPIMs—but they are a step forward. I thank the Government for taking that step. It is rare for me to quote the hon. Member for Stone (Mr Cash), who on Second Reading used an interesting phrase on which hon. Members might wish to reflect. He argued:

"The coalition is simply giving in to Lib-Dem pressure for this Bill to comply with the Human Rights Act".—[*Official Report*, 7 June 2011; Vol. 529, c. 69.]

I am delighted to agree with him on this occasion, although I think that Ministers are actually a bit more sympathetic than he gave them credit for.

The Bill is an improvement. We have already heard Opposition Members describe the benefits that it will bring compared with control orders. Relocation will go. There will be no more internal exile, although there will be some judicial oversight. That move was opposed by the Opposition—or, at least, by the majority of Labour Members; there were some honourable exceptions. Curfews are over, but again that move was opposed by the

[Dr Huppert]

Opposition. The proposals involve time limits. Nobody will be able to be held indefinitely; there will be a two-year maximum. Again, the Opposition tabled amendments to enable people to be held for longer. People will have regulated access to phones and computers, but again that was opposed by Labour. Those measures will allow people who have not been convicted of any offence to have a semblance of normal life. The Leader of the Opposition has admitted that Labour made errors over civil liberties, but it is clear that his party has not listened to him and has not learned from its mistakes.

The Bill represents a small step forward, but it is definitely a step in the right direction. The addition of the sunset clause makes it a step forward that I am willing to take, and I am delighted—not overjoyed; that would be overstating it—that we can take steps towards improving our civil liberties. I will vote for the Bill tonight.

9.52 pm

Mr McFadden: I believe that the Bill is based on a fundamentally mistaken premise—that liberty in our country was undermined by laws passed by the previous Labour Government in their efforts to protect the public and to combat terrorism. We have heard the Minister advance that argument many times during the debate. It is not, however, the laws passed by the last Labour Government that threaten liberty. Liberty is threatened by the ideology that fed the bombers of the London underground, by the acts that they took part in, by plots including those of the shoe bomber and the underpants bomber, as well as by other plots that have mercifully either not worked or been foiled before they reached fruition.

Both parties in the coalition have in different degrees shared in that fundamentally mistaken premise, and they have now brought it into the Government as the foundation for this Bill. I wonder whether, if we were talking about this in a year or two's time, the Government would still introduce such a Bill. I genuinely do not know the answer to that. What we have here is a mistaken premise giving us wrong policy that will lead to increased risk for the public. The Bill will give new rights to terrorist suspects. It will allow them freedom of movement. It will grant them access to mobile phones and the internet. It will also put a two-year time limit on even the weakened provisions that TPIMs represent.

Mr Ellwood: I want to challenge the right hon. Gentleman's point that any form of legislation could prevent a terrorist attack. If someone is convinced that that is what they want to do, wherever they are based in the UK and however they communicate, and whether they target the Olympics or somewhere else, they will conduct that attack, and possibly kill themselves as well. No legislation that we create in this House can prevent that. It is wrong to mislead the House and to suggest that we can somehow over-legislate or protect ourselves by what we do here. We cannot do that.

Mr McFadden: If that is what the hon. Gentleman believes, he should vote against the Bill because the Minister is pretending that this offers some measure of protection. These measures not only put the public at increased risk, but put the police and security services under increased pressure at the very time that their budgets are being cut. They mean less control and more surveillance. Surveillance itself compromises liberty, but does so simply in a more expensive and riskier way than some of the extra powers that the Government have chosen to reject.

To cap it all, in recent days we have seen the spectacle of the Government taking out an insurance policy against their own Bill by publishing draft emergency legislation but then refusing to add the powers to this Bill. The Government have failed utterly in today's debate to specify the circumstances under which that insurance policy will be used. It is hard to escape the conclusion that my right hon. Friend the Member for Salford and Eccles (Hazel Blears) eloquently reached in her speech—that trade-offs within the coalition have shaped this policy. That is not good enough. We should not compromise the safety of our citizens on that basis. I echo the hope and prayer of my right hon. Friend the shadow Home Secretary that none of the terrorist suspects who are granted increased freedoms under the Bill use them to kill innocent people. I have to say in all sincerity that if they do, the public will not forgive the Ministers or the Government who have passed this measure tonight.

9.56 pm

Bob Stewart: There is little time, so I shall try to put my speech in bullet point form. I have no problem with TPIMs being called "control orders lite". I believe we should think of evolution in security and I certainly think that we should look at experience.

I do not think terrorists will be able to get away with terrorist acts when they are under investigation. I used to watch them in Northern Ireland, but they could not do anything once we had them under proper surveillance. If they are really innocent, they can always fully co-operate with the Government and get off a TPIM, control order or whatever as soon as possible.

The threat comes from unknown people. We all know that, as all these attacks have come from people whom the security services have not been able to identify.

I had a big problem with relocation, but I was reassured by what the Minister said about enhanced TPIMs—that we could do something about the matter quite quickly. I do not think that we have by any means reached a definitive solution as yet. We are in an evolutionary process. No one likes control orders, TPIMs or anything like them, but we do not have any choice.

The threat will change over time and our reaction to it will have to change over time. We will revisit many times in future the problem of what to do with people who want to destroy our people.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 297, Noes 221.

Division No. 334] **[9.58 pm**

AYES

Adams, Nigel	Barclay, Stephen
Afriyie, Adam	Baron, Mr John
Aldous, Peter	Barwell, Gavin
Andrew, Stuart	Bebb, Guto
Bacon, Mr Richard	Beith, rh Sir Alan
Baker, Norman	Bellingham, Mr Henry
Baldry, Tony	Benyon, Richard
Baldwin, Harriett	Beresford, Sir Paul

Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Gale, Mr Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
James, Margot
Javid, Sajid
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Long, Naomi
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Mr Mark
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Bill Wiggin and Mark Hunter

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
David, Mr Wayne
Davies, Geraint
Davis, rh Mr David
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Esterson, Bill
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jamieson, Cathy
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Graham Jones and Lyn Brown

Question accordingly agreed to.

Bill accordingly read the Third time, and passed, with amendments.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

INTERNATIONAL IMMUNITIES AND PRIVILEGES

That the draft International Renewable Energy Agency (Legal Capacities) Order 2011, which was laid before this House on 8 June, be approved.—*(Mr Newmark.)*

Question agreed to.

Waste and Recycling (Spelthorne)

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Newmark.)*

10.13 pm

Kwasi Kwarteng (Spelthorne) (Con): I am especially pleased to address this matter under your direction, Mr Speaker, as it is very important for my constituents. The issue that the debate will focus on is localism—the localism philosophy, as it were—and more specifically the question of the extent to which county councils in a two-tier system should be allowed to overrule the will of borough councils and a significant degree of popular opinion within a particular borough.

As many Members will know, I am the Member of Parliament for a borough: the borough of Spelthorne. It is coterminous with the parliamentary constituency, which is a rare thing in our House of Commons. I am therefore very grateful to the Minister for making time to respond to some of the issues I wish to raise. I hope he can elucidate some of the Government's ideas about localism, with particular regard to waste disposal and recycling policy.

A waste and recycling centre is to be built in the south-east of my constituency, in the midst of two densely populated residential areas: Upper Halliford and Charlton village. More than 41,000 people live within a two-mile radius of the proposed site. Many issues have been raised in the debate, with those on one side of it saying that the technology is essential. However, it is my job as the Member of Parliament to articulate some of the concerns that many of my constituents have about the proposed facility.

A community recycling centre and a waste transfer facility already occupy part of the site, on which waste has been managed since the late 1940s. The new development, planned by SITA, would involve the construction of an additional anaerobic digestion plant to dispose of Surrey's food waste. Most worryingly to many constituents, it would impose on the constituency a gasification chamber for the treatment of household waste. This would triple the size of the existing 4.5 hectare facility and would, most people agree, consume what is left of the adjoining green belt.

People across the constituency and across the political divide have expressed considerable dismay at this proposal, and a great deal of community spirit and co-operation has been shown in opposition to it. People have put aside political allegiances and have come together to oppose the county council's proposal. A dedicated group of residents from in and around Charlton and Halliford have set up "Spelthorne against the Eco Park", and I am very interested in their arguments and wish to ventilate some of their concerns. Many other people from residents associations in neighbouring towns such as Sunbury, Shepperton and Kempton have campaigned against these developments.

Spelthorne borough council, which is in charge of Spelthorne, has responded to people's concerns, as opposed to Surrey county council, which is one tier above it. The borough council voted unanimously to reject SITA's plans on 26 January. In response to the vote, Surrey county council chose to ignore a large measure of residential opinion and went ahead and approved the planning application. It peddled a story that this development is the best waste solution for Surrey. Other people object to this, and I want to raise some of those objections on the Floor of the House, which is where they should be heard.

Indeed, Surrey county council insists that the gasification chamber would facilitate treatment of waste in a more sustainable and eco-friendly way than the mere landfill site that currently exists. But it is difficult to see how this change to gasification would be an improvement, given that gasifiers simply burn black bag waste without first separating the recyclables. This move would not improve Surrey's waste disposal facilities. There are severe and important concerns about the fact that it could be dangerous and could endanger the people who live near the gasification site.

Owing to the volatile nature of the gases used, the very process of gasification is risky. The Sterecycle explosion in Rotherham reminds everyone why gasifiers and facilities that produce modern electricity from waste plants are, as a rule, located in places away from populations. As people are well aware, and as I have said earlier in this speech, this proposed development would be located right in the heart of a highly densely populated area. People contend that the proposal to locate a large chemical process plant—that is what this would mean—in a public community recycling centre is putting residents' lives at risk. If it is not putting their lives at risk, it is certainly potentially dangerous, given the possibility of explosion.

In isolated locations with severe transport problems, where waste cannot be moved with much ease, gasification might be the best, if not the only, solution. That is the case, for example, in the Austrian valleys, where gasifiers were pioneered. I know that our winter weather has been more severe in recent years and that we are facing alpine conditions almost every year, but to suggest that the Thames valley is, in any way, like the Austrian Alps in terms of weather severity stretches the definition of "a simile" too far. I am sure that everyone would agree that the Thames valley is not like the Carpathian mountains. The Thames valley benefits from a good transport network and far more environmentally friendly and sustainable waste solutions could be used there—in particular, integrated energy recovery from waste schemes. We do not have to go down this gasifier route. That is the borough council's argument and it enjoys a lot of support in my constituency.

Why would anyone want to build this gasifier and put it in the middle of a highly densely populated area? There is a simple reason; it boils down to money. The Government are offering generous financial subsidies in the form of renewables obligation certificates for electricity recovered by gasification. That was instigated under the previous Government in 2003 to support small community projects in relatively isolated locations, such as those I have described. It was never envisaged for the south-east, Thames valley area, to which it is being sought to apply. In my constituency, such an approach is inappropriate. The Sustainable Development Commission has recommended that only high-efficiency energy from waste plants should typically receive Government support.

The approach is inappropriate is because this subsidy, like a lot of subsidies in general, has been applied in a blunderbuss fashion. No discrimination is applied; no particular sensitivity is shown to the location. As I have tried to stress, the location is of paramount importance. Of course a gasifier would make sense in a relatively

[Kwasi Kwarteng]

isolated community, for example, in a mountainous region, where transferring waste is particularly difficult. My contention, and that of many of my constituents, is that it is simply inappropriate to build such a facility in the midst of a highly densely populated area.

Bearing in mind the size of the development site in question, the phenomenon of the subsidy being applied without any discrimination makes no sense. Gasification is simply a way in which SITA can obtain maximum profit. The company receives, I believe, a £100 bonus for every megawatt of electricity it generates through gasification on top of the £30 value to the grid. Without subsidies and that perverse Government incentive, construction of the gasification plant would, in the eyes of many people, make absolutely no financial sense because the generation of electricity through that means is far too low.

We have here the prospect of a gasifier being built in a densely populated area, largely for financial incentives. SITA, which is content to burn recyclables for profit, will maximise the Government's environmental subsidies and would stand to gain while many people in the local community feel that they would lose out. I do not believe that that was the intention of the then Government when they proposed subsidies for gasification, but subsequent developments do not tally with current environmental policy or chime well with the Government's stated, well-publicised and well-known localism agenda.

Only last year, the Secretary of State for Energy and Climate Change promised that this Government would only

"support modern energy generation from waste where local communities want it and where it makes good environmental sense"—[*Official Report*, 1 July 2010; Vol. 512, c. 977.]

whereas his colleague, the Secretary of State for Communities and Local Government, has talked eloquently and consistently about devolving power to community groups and what might be termed the grass roots—the lowest level of the participatory democracy.

If the Government are to honour their commitment to localism and to do what they set out to do and what they preach, surely when a borough council advocates one idea and a county council advocates the diametric opposite the choice should be clear. Under the principles of localism that choice should be in favour of the borough council. The borough council has repeatedly articulated the arguments I have outlined today and many people believe that Surrey county council should have listened to its opposition to SITA and perhaps supported it. As everyone knows, the county council is at a higher level than the borough council so it seems unclear to me and many of my constituents where the localism agenda fits in. If the county council is to get its way, where does localism find its voice?

The proposal now sits on the desk of my right hon. Friend the Secretary of State for Communities and Local Government. In the next few days, he will choose whether to refuse it, call it in for his determination or allow it. I hope this debate and some of the concerns that I have articulated on behalf of my constituents will be heeded and will have some tiny margin of influence on his decision. I hope that his decision will reflect some of the issues I have raised and perhaps, after he has looked at the debate and at some of the representations made by my constituents and by the borough I represent, he will determine that SITA's application is wholly inappropriate.

10.29 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I congratulate my hon. Friend the Member for Spelthorne (Kwasi Kwarteng) on securing the debate on a topic that I know is of concern to him and his constituents. It is a matter of real significance and he has done them a service in the way in which he has put their case and their concerns. As he has pointed out, this relates to a proposed waste and recycling centre in his constituency, which is within the metropolitan green belt. The current application is, as he said, for a facility to deal with 40,000 tonnes of food waste and 60,000 tonnes of household rubbish a year. In light of his careful opening of the facts, I need not repeat some of the factual detail of the application. It is worth saying that waste activities have taken place on the site since the 1940s. It is because the site lies within the metropolitan green belt that the authority has formally referred the application to the Secretary of State under 2009 consultation regulations regarding green belt development.

The fact that the proposal is before the Secretary of State for determination on whether call-in is appropriate means that I have to be careful in what I can say. The Secretary of State will take a decision not on the merits or otherwise of the application, but only on whether it is appropriate for him to call it in so that he can take a decision as opposed to leaving the decision to the local waste planning authority. As that is a quasi-judicial decision, I, as the Minister speaking on his behalf, have to be careful, as is normal in these cases, not to say anything in the debate that might prejudice or give the appearance of prejudicing that quasi-judicial decision on whether to call in the application. I hope, therefore that my hon. Friend will forgive me if I cannot go into some of the detail that he has set out in relation either to the application or to some of the arguments regarding the merits of various processes and technologies.

I can, however, help him and his constituents by explaining the call-in process. About 475,000 planning applications are made to local authorities every year and the Secretary of State has powers, under section 77 of the Town and Country Planning Act 1990, to require that applications be referred to him for determination rather than being determined by the local authority. In certain cases concerning green belt land, there is an automatic process of referral, as I have mentioned.

The current policy on how the Secretary of State should exercise the call-in power was set out by the then Minister, Richard Caborn, in June 1999. Examples were given of cases that may be called in, including those which, in the Secretary of State's opinion, could have significant effects beyond their immediate locality; give rise to substantial regional or national controversy; appear to conflict with national policy on important matters; or raise significant architectural and urban design issues. Other possible call-in cases are those concerning the interests of national security or foreign Governments. That is the broad policy.

The Secretary of State also has the power under article 25 of the Town and Country Planning (Development Management Procedure) (England) Order 2010 to issue

a holding direction to the local authority instructing it not to grant permission on the application without his authorisation. That is to allow him sufficient time to give the issues raised his full consideration. My officials advise me that Surrey county council, which is the planning authority for this purpose, was issued with an article 25 direction on 2 August 2011. That is the background and context.

It is the Secretary of State's policy, within the criteria I have outlined, to be very selective about calling in planning applications. I have already said that there are about 475,000 planning applications a year to local planning authorities, and it is worth noting that in 2010 only 13 cases were called in by the Planning Inspectorate for inquiries to be held. I hope that puts the matter into context.

My hon. Friend will be pleased to learn that the Secretary of State and the officials who advise him are currently considering the application and have received 20 individual representations to call in the application. Their assessment will consider whether the planning application itself or the issues raised by concerned parties, such as those who have written in and whose concerns have been articulated by my hon. Friend, justify the Secretary of State's intervention based on the call-in policy that I have just set out. It will then be for the Secretary of State or one of the Ministers in the Department acting on his behalf to determine whether or not to intervene in the matter. In doing that, the Secretary of State will have regard to the call-in policy and to national policy generally in relation to such matters.

I understand the concerns articulated by my hon. Friend. I am sure he will appreciate that applications for waste facilities are never popular, and almost invariably give rise to local objections, concerns and debate. Such facilities are an essential part of the infrastructure necessary to make our towns and cities function properly. They often provide a service beyond the immediate neighbourhood in which they are situated, so there is a balance involved.

As I know my hon. Friend is aware, policy responsibility for waste issues involves several parts of Government, but responsibility for the planning part of the process rests with my Department. It is understandable, therefore, that concerns are raised. The planning system plays a critical role in delivering the Government's targets on waste in a sustainable way, and we are committed to replacing the previously adversarial system that we have had in planning with one in which communities work together as a norm.

The overall policy objective is to protect human health and the environment by producing less waste and by using it as a resource where possible. We remain committed to that. Equally, the Government remain committed to protecting the green belt and maintaining the key policy that inappropriate development should not be approved except in very special circumstances. In that balancing process, one must bear in mind that current national planning policy says that planning authorities should recognise that the locational needs of some types of waste management facilities, together with the wider environmental and economic benefits that I mentioned, are material considerations that should be given weight in determining whether proposals should be given planning permission.

Local authorities also have a national and a European duty to prepare and deliver waste management and planning strategies in a way that enables communities to take more responsibility for their waste. They also need to prepare and deliver planning strategies that protect the green belt, as well as being consistent with other planning policies. It is for local authorities to consider all national policies and local opinions and to produce plans which represent the best solution for their areas. It is important that in doing so, local authorities are required to consult communities fully when preparing their strategies.

As my hon. Friend said, his constituency is part of an area that has a two-tier system of local government. In all parts of the country where there is a two-tier system of county and district or borough councils, the county council is the waste planning authority, generally because the waste arising and its disposal tend to cover a wider area than that of individual local planning authorities represented by a district or borough council. The county council is required to consult the district council on the development of its strategic plans and on individual waste applications.

The Government recently published their plans for a new national planning policy framework, which is currently out for consultation and is due to close on 17 October. As my hon. Friend will have noticed, that draft framework does not contain specific waste policies, because national waste planning policy will be published alongside the national waste management plan for England, but local authorities preparing waste plans should have regard to policies in the framework. That includes the presumption in favour of sustainable development, which applies to waste provision, and the importance of ensuring that there is sufficient detail to justify the need for and location of waste facilities.

Local authorities are responsible for approving or rejecting planning applications in line with their local plans, taking into account any representations that they have received, and that is how localism fits into the issue: there is the context of national policy; within that, there are statutory responsibilities that fall, as appropriate, upon county, district or borough councils as the planning authorities for particular classes of application; and we are committed to giving local elected representatives greater responsibility to make decisions within the context of that structure. Where there are disagreements or two-tier areas, it is worth bearing in mind that the Localism Bill introduces a duty to co-operate, giving local planning authorities and public bodies a requirement to engage in constructive and active dialogue on such matters.

I hope that I have set out the context of the issues that my hon. Friend has raised. I assure him that I understand the strength of feeling on this and on many similar issues, and that, in deciding whether to call in the application, the Secretary of State and his officials will take into account the points that my hon. Friend and his constituents have made. We are committed to ensuring that delays in the process are kept to a minimum. I am therefore pleased to advise him that we aim to issue a decision on the matter as soon as possible, and he of course will be formally notified of the decision, once it is made, in the usual way.

Question put and agreed to.

10.41 pm

House adjourned.

House of Commons

Tuesday 6 September 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES AND TRANSPORT FOR LONDON (NO.2) BILL [LORDS] *(BY ORDER)*

Second Reading opposed and deferred until Tuesday 13 September (Standing Order No. 20).

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

Banking Industry (Taxation)

1. **Clive Efford** (Eltham) (Lab): What recent assessment he has made of the level of taxation levied on the banking industry. [69994]

The Chancellor of the Exchequer (Mr George Osborne): Her Majesty's Revenue and Customs published details of total pay-as-you-earn and corporation tax receipts from the banking sector for the first time on 31 August. The official statistics show that tax receipts from the sector increased from £17.3 billion in 2009-10 to £21 billion in 2010-11. A number of other taxes are incurred by the banking sector that the Office for National Statistics did not include in the figures, including the new bank levy introduced by this Government, which we expect will raise an additional £2.5 billion net each year, which is more in each and every year than the previous Government raised in their one-off payroll tax.

Clive Efford: I am grateful to the Chancellor for that answer, but the truth is that the High Pay Commission has just published a report demonstrating that high executive pay bears no relation to the performance of companies and that nowhere is this more starkly illustrated than in the banking sector. Meanwhile, youth unemployment is going up. Is it not time we made the banking sector pay its fair share in order to do something for the young unemployed in this country, as advocated by the Opposition?

Mr Osborne: That is why we introduced the bank levy, which Labour had 13 years to introduce but did not. It raises £2.5 billion. We are also taking action to clamp down on tax avoidance. We recently proposed a measure to tackle something called disguised remuneration, whereby high earners, often in the financial services sector, disguise their income to avoid tax, but the Labour party voted against the measure.

Sir Peter Tapsell (Louth and Horncastle) (Con): As we are discussing banking, may I again put it to the Chancellor that further delay in ring-fencing retail banking from investment banking can only perpetuate the appalling shibboleth that big banks cannot fail? Until we debunk that shibboleth, the capitalist system will remain at risk.

Mr Osborne: My right hon. Friend makes a powerful point. We must learn the lessons of what went wrong in the regulation of our banking system and ask deep questions about how, as an economy, we underwrite that system. That is why the Government asked John Vickers and his fellow commissioners to look at the structure of the banking system and at how we can ensure that Britain can be home to global banks but, at the same time, the British taxpayer can be protected should those banks fail. Of course, John Vickers will publish his final report next week and I am sure that there will be plenty of discussion about it.

Ed Balls (Morley and Outwood) (Lab/Co-op): With the future jobs fund and education maintenance allowance abolished, Labour Members have been urging the Chancellor to repeat the bank bonus tax on top of the bank levy in order to get young people into work. The Chancellor claims that the economy is recovering, unemployment is falling and that such action is unnecessary, so will he tell the House how many more young people, compared with a year ago, are now not in education, employment or training?

Mr Osborne: The number of 16 and 17-year-old NEETs has actually come down, and more than 500,000 new jobs have been created in the private sector over the past year. The right hon. Gentleman talks about the bonus tax, and I will use not the advice I have been given by Treasury officials to respond, but the advice I have been given by the previous Chancellor of the Exchequer, someone we know he is very close to. The previous Chancellor said this of the bonus tax, and he after all is the man who introduced it:

"It will be a one-off thing because, frankly, the very people you are after here are very good at getting out of these things and... will find all sorts of imaginative ways of avoiding it".

That is why he did not want it to be anything more than a one-off tax, and that is why we introduced a much more permanent and sustainable tax on the banks, which the right hon. Gentleman never introduced when he was City Minister. It is a permanent bank levy that raises more net every year than the one-off bonus tax did.

Ed Balls: Unemployment is rising and the stock market is plummeting—it is no surprise that the Chancellor does not want to answer the question about youth unemployment. Let me tell the House that the number of young people between 18 and 25 out of work and not in education, employment or training has gone up in the past year by 18%: 119,000 more young people are unemployed. Let me tell the Chancellor what my right hon. Friend the Member for Edinburgh South West (Mr Darling) said on "Newsnight" last night:

"The government, by going so fast, is really strangling the economy...if you go too fast you stall"—

Mr Speaker: Order. I think the shadow Chancellor will want to refer to taxation levels on the banking industry.

Ed Balls: The argument that I am making is that the Chancellor is ignoring the case for repeating the bank bonus tax for a second year, even though youth unemployment has gone up by 18%—119,000 more. Let me ask him a second—

Mr Speaker: Order. I say to the shadow Chancellor that what we need now is a very brief question. We need to move on; there are a lot of questions to cover.

Ed Balls: The question that people will be asking is if the Chancellor will not change his mind on the bank bonus tax, on VAT and on the pace of deficit reduction, why is he now changing his mind on stalling bank reform? He said that we were all in it together. Why is there one rule for the banks and another rule for everyone else?

Mr Osborne: Now we can see why the former Chancellor has said that the Labour party had no credible economic policy. The shadow Chancellor had all summer to think of that question, and the best he came up with was that we were not regulating the banks. He was the City Minister when the City exploded. We have taken action better to regulate the banks. We set up the commission that will report next week. As for downgraded numbers, the fastest falling numbers around here are his economic credibility numbers.

Mr John Redwood (Wokingham) (Con): It would be good to get more tax out of RBS, a state-owned bank, but unfortunately it is still loss making. Will the Chancellor or a relevant Minister have an urgent meeting with its executives so that they can have a better plan for cutting risks, selling assets and making some money for the taxpayer?

Mr Osborne: My right hon. Friend is, of course, right that the British banking system has had its challenges—not least over the summer, with its share prices. We are in regular discussion with the banks about that, of course, and we will of course have many discussions about the future structure of banking. We need a profitable banking sector that lends to the real economy. We have in place targets to see an increase in lending to small businesses. But my right hon. Friend is absolutely right that a key part of the recovery is a return to health for the financial services industry and the financial system.

Domestic Energy Prices

2. **Vernon Coaker** (Gedling) (Lab): What assessment he has made of the effects on the economy of recent trends in domestic energy prices. [69995]

The Economic Secretary to the Treasury (Justine Greening): The Office for Budget Responsibility is now responsible for independent economic and fiscal forecasts for the Government, and that includes taking account of trends in energy prices and their impact on the economy, including on inflation. The OBR will publish a fully updated forecast in the autumn.

Vernon Coaker: Thousands of people in my constituency of Gedling and millions across the country will be disappointed by that response from the Minister. Consumer Focus has said that, on average, energy bills will go up by £200 a year, which means that this winter many people—pensioners and families—will be worried about switching on gas and electricity. Has the Minister met the energy companies to discuss that, and will she specifically outline some measures that she and her Government intend to take so that people are not afraid to switch on the heating this winter?

Justine Greening: The hon. Gentleman is right to raise the issue because it is important. The challenge that we all face is to make sure that energy bills are affordable not just this winter—the point that he makes—but in winters in 10 and 20 years' time. The problem that we have as a country is our dependency on fossil fuels. In the long term, we need to get ourselves off that dependency so that we are not so blown about by the international winds that see commodity prices go up and down. In the short term, we are taking steps to support the most vulnerable through the Warm Homes discount. Next year, we will introduce the green deal to help energy efficiency. The hon. Gentleman asks whether we have meetings with energy companies, and of course we do every day. I am sure that he will also—

Mr Speaker: Order. Progress is very slow, and it needs to get faster.

Mr Mark Spencer (Sherwood) (Con): The Minister will be aware of how rapidly fuel and energy prices have increased. Am I right in thinking, however, that if the Chancellor had not taken action in the Budget, fuel prices would be 6p a litre higher today?

Justine Greening: My hon. Friend is absolutely right. The action that we took, which was part of a £1.9 billion package to support motorists, means that fuel duty was 6p lower than it otherwise would have been under the previous Government's proposals.

Mr David Hanson (Delyn) (Lab): The Minister will know that the rise of several hundred pounds in energy costs will hit businesses hard, and that on top of VAT and price and pay freezes it will particularly hit consumers and pensioners. What is her assessment of the level of that price rise? How many meetings has she had with energy companies about the price of energy? What does she intend to do about the price of energy other than freezing the level of winter fuel payments for pensioners?

Justine Greening: I think I have answered those questions already; and perhaps the right hon. Gentleman should speak to his Back Benchers about their asking his question before he does. I know that it is his wedding anniversary today, and I hope that I do not upset him too much before he has dinner with his wife tonight. I can again assure him that we are absolutely committed to making sure that the Warm Homes discount scheme will support the most vulnerable people in our country so that they can afford to heat their homes.

Inflation

3. **Helen Jones** (Warrington North) (Lab): What recent assessment he has made of the effect on inflation of the increase in the basic rate of VAT. [69996]

The Exchequer Secretary to the Treasury (Mr David Gauke): The Office for Budget Responsibility is responsible for producing independent economic and fiscal forecasts. The OBR published a full analysis of developments and the prospects for inflation in its forecast at Budget, and that can be found at its website. The Office for National Statistics estimates that the impact of the VAT rise on consumer prices index inflation was 0.76 percentage points.

Helen Jones: The Minister has failed signally to answer the question. Will he tell the House why only three European Union countries—Estonia, Lithuania and Romania—have inflation higher than the rate in this country? Is it not true that the failed economic polices pursued by the Treasury and the decision to raise VAT have more than doubled the rate of inflation compared with the Government's target? When is he going to accept responsibility for that and do something about it?

Mr Gauke: I am afraid that the hon. Lady might not have listened to my earlier answer. The fact is that the primary cause of the increase in inflation has been global commodity and energy prices. It is also worth pointing out that our currency depreciated in value quite significantly a couple of years or so ago. The VAT increase was necessary in order to reduce the deficit—a policy that was recognised by the previous Chancellor of the Exchequer.

Gavin Williamson (South Staffordshire) (Con): Did my hon. Friend inherit any work by the previous Government on plans to increase VAT if they had won the general election?

Mr Gauke: My hon. Friend will be aware that we are not privy to the advice that was given to previous Governments. However, I look forward to reading tomorrow confirmation that the previous Chancellor believed that it was a wise course of action to increase VAT.

Public Sector Borrowing Requirement

4. **Mike Freer** (Finchley and Golders Green) (Con): What recent estimate he has made of the public sector borrowing requirement. [69997]

The Chief Secretary to the Treasury (Danny Alexander): The July public sector finances release issued by the Office for National Statistics estimates that the out-turn for public sector net borrowing in 2010-11 is £142.7 billion, or 9.7% of gross domestic product—£14 billion lower than in 2009-10.

Mike Freer: Citibank economist Michael Saunders recently said that

"the major risk to the UK's fiscal outlook and credit rating would be if the coalition fails to stay the course on fiscal consolidation."

Does my right hon. Friend agree?

Danny Alexander: Yes, I very much agree with that. As my hon. Friend will know, the need to tackle the enormous economic problems that we inherited from the previous Government, including the enormous budget deficit, was the founding purpose of this Government. It is a purpose that we intend to see through, and he can be reassured that we will stick to our plans.

Chris Leslie (Nottingham East) (Lab/Co-op): Given the Government's poor performance on growth, lower tax receipts and higher welfare spending, will the Chief Secretary repeat—a simple yes or no answer will do—whether the Government are still committed to their target of falling public debt as a percentage of GDP by 2015? Yes or no?

Danny Alexander: Yes.

Eurozone

5. **Mr David Nuttall** (Bury North) (Con): What recent assessment he has made of the financial crisis in the eurozone. [69998]

12. **Glyn Davies** (Montgomeryshire) (Con): What recent assessment he has made of the financial crisis in the eurozone. [70006]

The Chancellor of the Exchequer (Mr George Osborne): The financial crisis in the eurozone is extremely serious. Fortunately, Britain is not in the euro; unfortunately, however, we are not immune to the instability on our doorstep. The euro area must implement its policy commitments to address the crisis, made most recently at the July summit. As I have said, the euro area should follow the remorseless logic of monetary union with greater fiscal integration. We must ensure that we are not part of that integration and that our national interests are protected and promoted at all points.

Mr Nuttall: I thank the Chancellor for that reply. Given that the crisis in the eurozone was caused by some member states having too much debt, would it not be a good idea—rather than increasing those debts with further bail-outs—for this country to press for the European treaties to be amended to allow a country to leave the euro while remaining in the European Union if it still wished to do so? As things stand, that is not possible.

Mr Osborne: As my hon. Friend knows, the treaty does not provide for a member state to leave at the moment, and there is no immediate prospect of major treaty renegotiation—something that the German Government have made very clear again this week. In other words, we need to focus on the task at hand, which is implementing all the agreements, communiqués and commitments made in recent months by the eurozone. That is absolutely crucial to the stability not just of the eurozone but of the wider global economy.

Glyn Davies (Montgomeryshire) (Con): Is the Chancellor aware that under the previous Labour Government, of whom the current shadow Chancellor was a prominent member, a euro preparations unit with a staff of 17 worked for 13 years on 11,500 documents to prepare Britain for joining the euro?

Mr Osborne *rose—*

Mr Speaker: Order. I am grateful to the hon. Member for Montgomeryshire (Glyn Davies), but his question bears no relation to the responsibilities of the current Government and we will therefore leave it there.

Mr Julian Brazier (Canterbury) (Con): Would my right hon. Friend accept that the fact that the euro has strengthened as a currency indicates that the markets believe that the weaker countries will not be able to push water up hill for much longer and are bound to drop out of the euro before very long?

Mr Osborne: I do not think that it would be appropriate for me to comment directly on the value of the euro, but I would observe that we have a weak US dollar and that that may have had an impact on the value of the euro. As I said just now, it is important for us to focus on the task in hand, which is implementing the agreement most recently signed on 21 July by the eurozone. Of course we can and should have a discussion about the future of the euro and its governance arrangements—and that is important—but the euro is here to stay and we have to ensure that it works for Europe. I do not want Britain to be part of the euro, and there is no prospect of that happening—*[Interruption.]* Labour Members seem to forget that they are still committed in principle to joining the euro. This Government will not join the euro, but it is in our interests that the euro works.

Sir Stuart Bell (Middlesbrough) (Lab): Is the Chancellor aware that, with the exception of Portugal, growth among member states of the eurozone is higher than ours? If fiscal union is to take place, and there is to be a common euro bond, in which order does he think they should come?

Mr Osborne: As I have been saying in recent weeks, we need to follow the remorseless logic of monetary union. That was one of the reasons I was against Britain joining the euro—I thought it would lead to greater fiscal integration and common budget policies. There is obviously an active debate about what that might mean, and I would suggest that the first thing that the eurozone countries need to do is to implement the package agreed on 21 July.

May I correct the hon. Gentleman? It is not the case—sadly—that Britain has the slowest growth in Europe. Actually, the problem is that German growth in the last quarter was 0.1% and French growth for Q2 was zero. That is the challenge—a eurozone where growth is faltering, and the situation in the United States. We have to deal with these international problems as well as addressing the very serious problems that we inherited.

Mr Speaker: I am grateful to the Chancellor. We do not want the slowest growth, but neither do we want the slowest questions and answers.

Mr Andrew Tyrie (Chichester) (Con): The Chancellor has made it clear that he thinks that a monetary union requires a fiscal union. Can a credible fiscal union be put in place without a treaty change?

Mr Osborne: I think that we can take important steps towards greater co-ordination of fiscal policy by implementing, as I say, the agreements that the eurozone came up with before the summer. That is the task at hand now. Speculating now about major treaty change is unrealistic. It is not going to happen in the next few years. It would take several years to bring about such a major treaty change and get it ratified by all the national Parliaments, even if those Parliaments agreed to it. The challenge this autumn is to bring greater stability to the euro's governance arrangement, which is what our colleagues in the EU want to do.

Ms Angela Eagle (Wallasey) (Lab): The Chancellor recently boasted that Britain is a safe haven from the problems in the eurozone, so will he tell us which EU countries have grown more slowly than the UK in the past 12 months, not in the last quarter?

Mr Osborne: As I said, this year, unfortunately, the German economy, the French economy and other major eurozone economies—[Hon. Members: "Ah!"] If Opposition Members do not want to look at the most recent numbers, it is no wonder they have not got a credible economic policy. Until they get one, and take a view on the eurozone and what is happening in Germany, France and the United States, they are not going to be taken seriously, as the former Chancellor of the Exchequer, the right hon. Member for Edinburgh South West (Mr Darling), has reminded them.

Ms Eagle: I do not think that the Chancellor knew the answer to that question, but today's euro figures have revealed that only two countries—Romania and Portugal—have done worse on growth than the UK in the past year. Only yesterday, the Minister of State, Department for Communities and Local Government, the right hon. Member for Tunbridge Wells (Greg Clark), said from the Dispatch Box that there is a crisis of growth in this country. Was not the Chancellor's friend, the new head of the IMF, Christine Lagarde, right at the weekend when she said that

"growth is necessary for fiscal credibility... We know that slamming on the brakes too quickly will hurt the"

economy "and worsen job prospects"?

We know that he will not listen to us, but why does the Chancellor not listen to sound advice from his friends, including, we hear, on this weekend's draft G7 statement, which aims to slow the pace of deficit reduction—

Mr Speaker: Order. I am extremely grateful to the hon. Lady. I think that we have got the gist of it.

Mr Osborne: I can tell the House that Christine Lagarde will be in London on Friday. We will hear what she has to say then.

Government Budget Deficits

6. Paul Maynard (Blackpool North and Cleveleys) (Con): What recent discussions he has had with his international counterparts on steps to reduce Government budget deficits. [69999]

The Chancellor of the Exchequer (Mr George Osborne): At the last G20 summit, advanced countries committed to implementing clear, credible, ambitious and growth-friendly medium-term fiscal consolidation plans, differentiated according to national circumstances. I will further discuss fiscal consolidation plans in the G7, G20 and IMF meetings later this month.

Paul Maynard: Does the Chancellor agree with the IMF's most recent assessment that strong fiscal consolidation remains essential?

Mr Osborne: That is, of course, absolutely what the IMF said in its recent article IV assessment—and we remember the article IV assessments at the end of the previous Labour Government. It asks explicitly whether the UK Government should change their policy, and it says no. That is the advice of the IMF. Last July, the Labour party voted against Britain paying its subscriptions to the IMF. Frankly, I do not think that Labour Members should talk about the IMF in Treasury questions until they agree with paying the subs.

Rachel Reeves (Leeds West) (Lab): If the Office for Budget Responsibility downgrades its forecast for growth for the fourth time when it reports later in the autumn, and revises up its forecast for Government borrowing, would the Chancellor regard that as a success or failure of this Government's economic policy?

Mr Osborne: Of course, the Government want economic growth and prosperity. We want a stable international situation in which we can trade. We have to take account of the fact that major trading partners, such as Germany, France and the United States, have seen either no growth or very limited growth as well. That is the challenge we face. As the right hon. Member for Edinburgh South West (Mr Darling) reminded us at the weekend, we can either have a credible economic policy that takes note of what is going on in the world or, as he put it, we cannot even be at the races.

VAT

7. **Mrs Anne McGuire** (Stirling) (Lab): What recent assessment he has made of the potential effects on consumer confidence of the change in the basic rate of VAT. [70000]

The Exchequer Secretary to the Treasury (Mr David Gauke): Sustainable public finances will support confidence in the medium term. Decisive action taken by the Government in the spending review and the June Budget, including the increase in VAT, will put the public finances and spending on a sustainable footing.

Mrs McGuire: The Stirling constituency has a large number of jobs tied up in tourism and hospitality. On 1 July, the Irish Government introduced a temporary reduction in the rate of VAT on goods and services related to the hospitality sector, realising that such a reduction has the potential to kick-start economic growth; indeed, the rate is now 11% less than the VAT rate in the UK. Given stalling UK economic growth figures, does the Minister not accept that he, too, should consider a temporary change in the rate for the sector, and if not, why not?

Mr Gauke: I have had meetings with representatives from the tourism industry at which they have made their case. We will of course keep all taxes under review, but we have to bear in mind the state of the public finances, our limited room for manoeuvre and concerns about adding complexity to our VAT system. None the less, we will look at those arguments.

Business Costs

8. **Mr Andrew Turner** (Isle of Wight) (Con): What fiscal measures he is taking to reduce the costs of businesses which employ less than 25 staff. [70001]

The Financial Secretary to the Treasury (Mr Mark Hoban): Small businesses play a vital role in the economy and the Government have taken a number of steps to support them. The Government have provided support for small businesses and employers by reversing the previous Government's planned £3 billion tax on jobs, reducing corporate taxes and introducing a moratorium on new domestic regulation for micro-businesses.

Mr Turner: Does the Minister agree that we should make it as simple as possible to set up small businesses in the UK and get rid of unnecessary regulations and red tape?

Mr Hoban: My hon. Friend is absolutely right. We need to reduce the burden of red tape to encourage small businesses to set up and to create more jobs. That is one reason why, for example, we introduced a moratorium exempting micro and start-up businesses from new domestic regulation for three years from 1 April 2011.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): A year ago the Chancellor claimed that 400,000 small business start-ups would be assisted by the national insurance holiday in the regions. To date the figure is, I believe, 5,000. Will the Chancellor undertake to bring a report before the House saying how many new jobs have been created by those 5,000 new start-ups and what the cost to the Exchequer has so far been per job?

Mr Hoban: The hon. Gentleman should be aware that HMRC is writing to all new businesses set up in the last 12 months to ensure that they are aware of the scheme and to encourage them to apply for it. It is important that they do so, but this is just one of a series of measures that we have taken to ensure that more new jobs are created in the private sector. I would have thought that the hon. Gentleman welcomed the fact that over the last year there have been 500,000 net new jobs created in the private sector.

UK Economy (Supply-Side Reform)

9. **Elizabeth Truss** (South West Norfolk) (Con): What steps he is taking in respect of further supply-side reform of the UK economy. [70002]

The Financial Secretary to the Treasury (Mr Mark Hoban): "The Plan for Growth", published alongside the Budget this year, sets out the Government's plan to put the UK on a path to sustainable long-term economic growth. The second phase of the Government's growth review will report later this year.

Elizabeth Truss: I thank the Minister for his answer. In the last decade the UK has fallen from 14th to 89th in terms of burden of regulation and from 14th to 95th in terms of extent of taxation. Does the Minister agree that we should be freeing up companies, rather than spending money that we do not have, to drive economic growth?

Mr Hoban: My hon. Friend is absolutely right. Of course, it is part of the previous Government's legacy that our competitiveness fell so far behind that of our international competitors. That is why we have taken action to reform corporation tax, for example, so that we have one of the best and most competitive regimes in the G20 and more businesses are encouraged to come to the UK. It is also why we are tackling regulation and red tape in the economy, which is why, as I said earlier, we have seen 500,000 net new jobs created in the private sector. That is three and a half jobs in the private sector for every job lost in the public sector, which shows the progress that we have made over the last year.

Stewart Hosie (Dundee East) (SNP): Both this Government and the previous one have taken an axe to tax allowances for investment on the supply side of the economy—for example, the abolition of the industrial buildings allowance under Labour and the reduction of the annual investment allowance of £100,000 to only £25,000. Have the Government turned their face away entirely from the reintroduction of tax allowances, or will they listen to representations that demonstrate the positive growth in investment on the supply side from such tax allowances?

Mr Hoban: The reforms to allowances were used to help to fund measures such as the reduction in corporation tax rates for large companies and the reduction in the small companies' tax rate from the 22p proposed by Labour when it was in government to 20p. We are therefore seeing changes in the rate of tax paid by businesses of all sizes, which is helpful in encouraging economic growth and job creation.

Public Sector Workers

10. **John Robertson** (Glasgow North West) (Lab): What his policy is on the pay of public sector workers earning less than £20,000. [70003]

The Chief Secretary to the Treasury (Danny Alexander): At the June Budget in 2010, we announced that public sector workers earning £21,000 or less would be protected from the two-year pay freeze and receive at least £250 in each year.

John Robertson: I hear what the right hon. Gentleman is saying, but not giving those workers a pay rise of £250 as the Government said they would is tantamount to their not getting it. Freezing pay is not an increase. What is he going to do about this? Is he going to honour the undertaking in the Budget last year to give those hundreds of thousands of workers £250 or not?

Danny Alexander: The £250 increase applies to all work forces under ministerial control, and it was introduced this year. It will be carried through again next year to ensure that people on low incomes in the public sector continue to receive a pay rise.

Sajid Javid (Bromsgrove) (Con): Will the Chief Secretary to the Treasury assure us that, in drawing up plans on public sector pay, the Treasury has not been impeded by a brutal regime in No. 10 Downing street?

Danny Alexander: I can certainly assure my hon. Friend of that. Unlike under the previous Government, No. 10 Downing street and the Treasury work very well together on these issues.

Economic Growth

11. **Mr Gareth Thomas** (Harrow West) (Lab/Co-op): What recent assessment he has made of the level of economic growth. [70005]

The Financial Secretary to the Treasury (Mr Mark Hoban): Our economic policy objective is to achieve strong, sustainable and balanced growth, more evenly shared across the country and between industries. The independent Office for Budget Responsibility's forecast, published at the Budget, takes full account of the policy measures announced in the spending review and in Budget 2011. The OBR forecast that the economy would grow throughout 2011, and in every year of the forecast. It will publish its updated forecast in the autumn.

Mr Thomas: As the level of economic growth over the past 12 months was lower in Britain than in the rest of the G7, is it not about time that the Minister had the courage to persuade his right hon. Friend the Chancellor to start work on a plan B?

Mr Hoban: It has been very clear, listening to all the international commentators talking about what is happening in the UK economy, that their advice has been to stick to the course and stick to plan A. That is the action that this Government are committed to—*[Interruption.]* This is interesting. We have one plan; the previous Government seemed to have more plans than they knew what to do with, and that is why they lost their credibility.

Claire Perry (Devizes) (Con): What does the Minister think is more likely to encourage growth: cuts in corporation tax or the increases in national insurance that Labour was proposing?

Mr Hoban: In our first Budget we were able to reduce corporation tax and set out a clear path to reduce it over the lifetime of this Parliament. We were also able to reverse Labour's damaging jobs tax.

Mr Geoffrey Robinson (Coventry North West) (Lab): Will the Minister draw to the attention of the Chancellor the fact that economic credibility affects all Treasury Ministers in due course, and that in his case it is affecting him rather earlier than he might have thought? Can he not see that, with a lack of growth, he will not hit his deficit reduction target? Without hitting that target, he will not realise his plan, and without his plan—which is already in shreds—he will lack credibility, too.

Mr Hoban: I wonder whether the hon. Gentleman's remarks about the loss of credibility for Treasury Ministers reflect his own experience.

Jake Berry (Rossendale and Darwen) (Con): Given how badly prepared the UK economy was for the financial crisis, does the Minister think that it was delusional to believe that its effects would be over in six months?

Mr Hoban: The previous Prime Minister thought that what we now know to have been the longest and deepest recession since the war would be over in six months. That demonstrates the degree of delusion that existed under the previous regime. We are taking the tough and necessary decisions to tackle the legacy that we have been left by our predecessors.

Public Sector Borrowing Requirement

13. **Andrew Selous** (South West Bedfordshire) (Con): What recent assessment he has made of the effects on the economy of the public sector borrowing requirement. [70007]

The Chief Secretary to the Treasury (Danny Alexander): Sound public finances are essential for sustainable economic growth. The action that the Government have taken to reduce public sector borrowing will help to mitigate the risks to the recovery, underpin private sector confidence and help to keep interest rates low, which will help families and businesses.

Andrew Selous: Was it because of a high public sector net cash requirement that forces up interest rates, makes it more difficult for businesses to borrow, increases taxes and means that money spent on debt interest cannot be spent on public services that the outgoing director general of the British Chambers of Commerce said when he left on Friday that, in order to keep the economy going, it is essential that we stick to the Chancellor's economic plan?

Danny Alexander: I am sure that that was part of his reasoning and I very much welcome his endorsement, alongside that of all the other business organisations in the UK that continue to back the deficit reduction plan we have set out. It is worth observing that the proposals put forward by the outgoing director of the British Chambers of Commerce and other proposals are also being taken forward by this Government. There is very strong alignment between small businesses and this Government.

Tony Lloyd (Manchester Central) (Lab): At what point, though, will Treasury Ministers realise that this austerity programme is damaging growth and that what the Government should be doing is beating a track round the world to make sure that there is an international commitment to putting growth back into the economy? That is the way we will get rid of the deficit in our economy.

Danny Alexander: This deficit reduction plan is essential to restoring credibility to British public finances, which is critical to keeping interest rates low, as low interest rates help to keep people in their jobs and in their homes. That is the argument for the plan.

Michael Fallon (Sevenoaks) (Con): Will my right hon. Friend confirm that the borrowing and revenue figures are now completely independently audited by the independent Office for Budget Responsibility and are no longer the completely unreliable and overtly political forecasts that, as we now know, were forced on the previous Chancellor by the previous Prime Minister?

Danny Alexander: I can certainly confirm that the Office for Budget Responsibility is responsible for these matters and is independent. We certainly do not go in for the political fiddling of the figures that my hon. Friend described.

Inflation

14. **Rushanara Ali** (Bethnal Green and Bow) (Lab): What recent assessment he has made of the potential effects on the rate of inflation of recent trends in domestic energy prices. [70008]

The Economic Secretary to the Treasury (Justine Greening): The Office for Budget Responsibility assesses the prospects for inflation, which of course factors in any changes in prices from Budget 2011. It will update its forecast this autumn.

Rushanara Ali: I thank the Minister for her answer, but with rising energy prices, stagnating real-terms income and rising unemployment, I ask her again what specific actions will be taken to help the more than 4 million households in England and one in seven households in my constituency that will face fuel poverty this year?

Justine Greening: We have already taken action in previous Budgets, not least by taking people out of paying income tax altogether by raising the personal allowance. As we have heard, we reduced fuel duty, in contrast to the previous Government's plans to increase it. More than that, we are making sure that we target help at vulnerable people through the Warm Homes discount and next year, of course, we will introduce the green deal to help everybody to make their homes more energy-efficient.

Richard Graham (Gloucester) (Con): Does the Minister agree that although policies to help people out of income tax at the bottom level will show positive results, it is important to maintain the pressure to provide new apprenticeships so that high-value exporting manufacturers, such as Severn Glocon in my constituency, can continue to generate significant foreign exchange benefits.

Justine Greening *rose—*

Mr Speaker: Order. The Minister will want to relate her answer to domestic energy prices. I feel sure that that is what she will do.

Justine Greening: I shall try. I am sure that many of those apprenticeships will be in green industry, which is part of how we hope to get this economy back on its feet.

Mr Speaker: We are grateful.

Business Costs

15. **Robert Halfon** (Harlow) (Con): What fiscal measures he is taking to reduce the costs faced by businesses. [70009]

The Exchequer Secretary to the Treasury (Mr David Gauke): In addition to taking action to reduce the fiscal deficit, the Government are putting in place a number

of measures to create the right conditions for businesses to grow. This includes reducing corporate taxes to encourage businesses to invest, establishing enterprise zones, and increasing the support that research and development tax credits provide to small and medium-sized companies.

Robert Halfon: Does my hon. Friend agree that the new enterprise zones will transform the fiscal situation for local businesses? As there is a new enterprise zone in Harlow, will he set out the tax advantages that we will gain and when they will start?

Mr Gauke: I am delighted that one of the two enterprise zones in the south-east local enterprise partnership will be in my hon. Friend's constituency of Harlow; 100% of business rates collected on the Harlow site will be retained for 25 years and are to be spent on local economic priorities. This will be possible from April 2013, once the necessary legislation is passed. Businesses will also benefit from simplified planning and Government support to ensure that superfast broadband is rolled out throughout the zone.

Sammy Wilson (East Antrim) (DUP): One proposal subject to consultation, which has now finished, for reducing costs in Northern Ireland is the devolution of corporation tax so that the rate can be reduced for that part of the United Kingdom. Will the Minister assure us that the devolution of corporation tax will not be set at a price that makes it impossible for the impact on the economy to be positive?

Mr Gauke: As the hon. Gentleman said, the consultation process is now completed. I know we will be in contact with the Northern Ireland Executive to discuss the results. No decisions have been taken, but we have clearly made progress in this area. I look forward to having future conversations with the hon. Gentleman, including about the particular issue of cost that he mentions, but it is right for the cost as well as the powers to be properly devolved.

Economic Growth

16. **Margaret Curran** (Glasgow East) (Lab): What assessment he has made of the potential implications for the economy of the most recent figures for economic growth. [70010]

The Chief Secretary to the Treasury (Danny Alexander): Our economic policy is designed to achieve strong, sustainable and balanced growth that is shared more evenly across the country and between industries. The independent Office for Budget Responsibility has predicted that the economy will grow throughout 2011 and in every year of the forecast, and it will publish a fully updated forecast in the autumn.

Margaret Curran: Is the Chief Secretary aware of a survey produced this week by the Chartered Institute of Purchasing and Supply? It shows the sharpest slow-down in growth in the services sector for well over a decade. If Britain is such a safe haven, why is that happening?

Danny Alexander: I am aware of the survey, and of course many businesses are experiencing difficulties, not least owing to the headwinds in the global economy that we—along with other countries—are encountering. That is why we are taking measures to help businesses such as those to which the hon. Lady has referred, through our plan for growth and in relation to regulation, the planning system and investment in the transport infrastructure. I am sure she agrees that constitutional uncertainty about independence in Scotland is causing serious damage to businesses and business investment there.

Charlie Elphicke (Dover) (Con): Is not the most important contribution that the Government can make to economic growth to be "united at the top" and to have "a credible economic policy"?

Danny Alexander: I agree very much with that. I believe that it is a quotation from the former Chancellor of the Exchequer, the right hon. Member for Edinburgh South West (Mr Darling). We are united at the top and we have a credible economic policy, while the Opposition—if I may use the former Chancellor's phrase—are "not at the races".

Mr Denis MacShane (Rotherham) (Lab): Does the Chief Secretary—whom I fondly recall from the days when he was known as "Danny the euro"—agree that a big problem that we all face is the fact that the purchasing power of the pound internationally has sunk to an all-time low? Do we not have a real problem with the Osborne pound, which is now importing inflation, and do we not need to separate the two? We cannot get rid of the pound, because they will not let us, so do we not have to get rid of the Chancellor?

Danny Alexander: The right hon. Gentleman—I shall not tell the House what he was known as—should be aware that the reduction in the value of the pound took place under the previous Government, so he might direct his comments to them. He might also recognise, if he were being balanced, that that is having a beneficial effect on British exporters who are trying to sell into the eurozone, where the difficulties are, of course, affecting us as well.

Topical Questions

T1. [70019] **Tracey Crouch** (Chatham and Aylesford) (Con): If he will make a statement on his departmental responsibilities.

The Chancellor of the Exchequer (Mr George Osborne): The core purpose of the Treasury is to ensure the stability of the economy, promote growth and employment, reform banking, and manage the public finances so that Britain lives within her means. I can also announce today that the Office for Budget Responsibility will publish its economic and fiscal outlook on Tuesday 29 November, and that I will make a statement to the House on that day.

Tracey Crouch: Many hauliers in my constituency, like ordinary motorists, are concerned about the high price of fuel. Sadly, one Kent haulier went into administration during the recess, blaming diesel prices as a contributing factor. Can the Chancellor assure my constituents that he is listening to concerns expressed by fair fuel campaigners, and that he will do all he can to reduce the burden of high fuel costs on the motorist?

Mr Osborne: Of course I am well aware of the pain and burden that the big rise in the international oil price has caused to British businesses and, indeed, British families. That is why we took action in the Budget with a £2 billion reduction in fuel duty.

My hon. Friend mentioned hauliers in her constituency. The average haulier will benefit by approximately £1,700 this year as a result of the measures announced in the Budget, in comparison with the last Government's fuel duty plans. Those measures were funded by an increase in tax on North sea oil companies, which was controversial and was opposed by the Labour party.

T2. [70020] **Mr Kevin Barron** (Rother Valley) (Lab): The carbon price floor taxation policy within the electricity market reform is designed to push up the cost of electricity produced from high-carbon fuels such as coal. That could close what remains of indigenous coal production in this country, and also vastly increase the costs of energy-intensive industrial users such as steelmakers. Is the Chancellor prepared to look again at that policy, or consider compensating the industries that will fall foul of it?

Mr Osborne: We are looking specifically at the impact not just of the carbon floor price but of all the other environmental policies of recent years on energy-intensive industries. I hope, in the autumn forecast at the end of November, to give the House an update of what we propose to do to help.

T3. [70021] **Mark Lancaster** (Milton Keynes North) (Con): As we approach its first anniversary, is the Chancellor happy with the performance of the Office for Budget Responsibility?

Mr Osborne: Yes, I am happy with the performance of the OBR, because we have created a new institution in Britain that produces independent fiscal and economic forecasts. The absolutely astonishing revelation of the former Chancellor's memoirs was how—*[Interruption.]* Let me tell Labour Members this: that book has not even been published yet, but they will be hearing a lot more about it in the months ahead, because it reveals the truth, not just about the last Government but about how the current shadow Chancellor operated in the last Government—the poisoned politics, the paralysed Government and the lack of a credible economic policy.

T5. [70023] **Vernon Coaker** (Gedling) (Lab): Thousands of working-age households in my constituency and millions across the country are set to lose up to 20% of their council tax benefit from April 2013. What assessment has the Chancellor made of the impact of that policy on incentives to work?

Mr Osborne: We published our impact assessments at the time of the spending review, and, like other savings in the welfare budget, the policy the hon. Gentleman mentions is designed to deal with a welfare budget that was completely out of control. Just a few weeks ago, the Opposition said they were going to come forward with a credible medium-term deficit reduction plan. Well, where is it? Every single measure we have put forward, they have opposed.

T4. [70022] **Miss Anne McIntosh** (Thirsk and Malton) (Con): The Chancellor has stated his clear commitment to planning reforms, and local authorities are coming under increasing pressure to raise more locally than they receive centrally. Obviously, future developments are very attractive to them. Where in the planning reforms does the Chancellor assure the House there will be local democracy and a local voice?

Mr Osborne: We are giving a much greater role to local communities in determining their own local plan. We are also protecting the green belt and areas of outstanding natural beauty—of which I am sure there are a number in my hon. Friend's constituency. I would make this point: these are sensible protections for the countryside, but we must also allow economically productive development in this country. We have to simplify a planning system that is completely unintelligible to most citizens. That is precisely what we are doing and I hope we will be backed on both sides of the House.

T6. [70024] **Mr Nigel Dodds** (Belfast North) (DUP): Will the Chancellor give a categorical assurance to the House that the Government will swiftly and robustly reject any proposal from the European Commission, the European Parliament or any other European institution for a trans-European revenue-raising measure?

Mr Osborne: I can assure the right hon. Gentleman that I am certainly opposed to any new European tax.

T8. [70026] **Peter Aldous** (Waveney) (Con): The Lowestoft and Great Yarmouth enterprise zone can play a vital role in promoting growth. Will the Chancellor accept an invitation from me and my hon. Friend the Member for Great Yarmouth (Brandon Lewis) to visit our constituencies to see for himself the area's great potential and to hear from business and council representatives about the work being done to create new private sector jobs?

Mr Osborne: I certainly will visit Great Yarmouth and Lowestoft—and on a couple of occasions during this Parliament, I hope. I am delighted that the bid for an enterprise zone from Great Yarmouth and Lowestoft was successful. It was a very impressive bid, involving intelligent use of East Anglia's offshore energy resources, and I look forward to seeing how work on that is progressing when I visit.

T7. [70025] **Rushanara Ali** (Bethnal Green and Bow) (Lab): Given stagnating economic growth in the UK, US and much of Europe, and with forecasts predicting slow to no growth, will the Chancellor acknowledge that his economic plans are hurting but not working, and can he now tell us what his plan B is for driving growth in the UK?

Mr Osborne: I think that question involved a contradiction in that the hon. Lady pointed out that there was either slow or no growth in the United States and Europe and then somehow blamed my economic policies for that situation. That points to a broader observation: until the Labour party has some cognisance of what is happening in the world and how our policies are protecting the country with the largest budget deficit

in the G20 from being caught in the firestorm that some other European countries have found themselves in, frankly it is not going to be at the races.

Stephen Williams (Bristol West) (LD): Coming back to the crisis in some of the economies of the European Union, out of a crisis can sometimes come an opportunity. Will the Chancellor, next time he is meeting his fellow Finance Ministers, impress upon them the need further to deepen and reform the single market in order to promote trade and growth within the European Union?

Mr Osborne: I certainly will. I agree 100% with the point the hon. Gentleman is making, and on Friday we will be meeting as the G7, and then we have the ECOFIN meeting next week. He is absolutely right: as well as needing to tackle the fiscal policies and budget deficits, we need to make Europe more competitive. We need to make the whole of the European continent more competitive, and that involves supply-side reforms, deepening the single market and promoting free trade around the world, and I will be making that point today and in future.

T9. [70027] **Diana Johnson** (Kingston upon Hull North) (Lab): Given the latest data on manufacturing, construction, exports and retail, can the Chancellor explain to me exactly where we will see growth and jobs coming from, especially in an area such as Hull?

Mr Osborne: I hope the hon. Lady welcomes the decision we made to make sure that Humberside had an enterprise zone. The way that this and other countries are going to get growth is not by taking yet another fix of the debt-fuelled spending bubble that got us into the mess we are in at the moment; it is by becoming competitive and having successful private sector businesses and a tax and regulatory environment that allows them to compete with not just the rest of Europe but the rest of the world.

Laura Sandys (South Thanet) (Con): Like many of my colleagues, I want to thank the Chancellor for launching the enterprise zone and visiting—[HON. MEMBERS: "Ah!"] Yes, in Sandwich. However, it is not just enterprise but trade and investment that need to come into the country. Does he believe that UK Trade & Investment is going to step up to the mark and ensure that we get the message across that Britain is open for business?

Mr Osborne: The short answer is yes. I was delighted to visit the new enterprise site in Sandwich with my hon. Friend, but we do need to promote exports. It is absolutely staggering that we export more to Ireland than we do to Brazil, Russia, India and China. That is the situation we inherited, and we have got to increase exports. The Chinese vice-premier will be in London on Thursday, and I hope we can fulfil our countries' joint ambition to increase trade between the two countries.

T10. [70028] **Tristram Hunt** (Stoke-on-Trent Central) (Lab): Given that increasing urban density increases economic productivity, and that countries with lax planning law such as Ireland, Greece and Spain are among the least competitive in Europe, why on earth is the Chancellor so intent on ripping up our planning system and destroying what makes England England?

Mr Osborne: I completely reject the premise of the hon. Gentleman's question. As I say, green belt and areas of outstanding natural beauty will be protected, but we need to allow economically productive development. I have to say that his question is particularly puzzling as he represents the city of Stoke. Stoke applied for an enterprise zone, and one of the features of such a zone was that we were going to relax the planning rules.

Bob Russell (Colchester) (LD): When the Eurostar is in France it is in a eurozone country, but when it comes through the channel tunnel into England's green and pleasant land, the euro is not the sovereign currency. Last week, Eurostar refused to accept British money, even on the train in this country. Will the Chancellor make a robust complaint to Eurostar? *[Interruption.]*

Mr Osborne: The Opposition remind me of the very good election slogan that we had—although it was not particularly successful—which was "Save the Pound". We have managed to save the pound on the Eurostar—or rather, the company itself has anticipated questions such as the one from my hon. Friend. I am glad to hear that, as he travels to and from Brussels and Paris, he will continue to be able to buy his meals in pounds sterling.

Stephen Timms (East Ham) (Lab): Before the Chancellor meets the head of the IMF on Friday, will he recognise that in warning that slamming on the brakes too quickly will harm the recovery, she has a point? Does not Britain's experience illustrate that?

Mr Osborne: The point that the IMF has made consistently over the last two years is that countries with fiscal space can of course use it, but that Britain does not have that fiscal space. It made that point in its article IV assessment of the UK just a few weeks ago, and that is also the view of Christine Lagarde. As I say, she is coming to this country on Friday and we will hear what she has to say.

Margot James (Stourbridge) (Con): As the Chancellor has reassured the House that protecting the green belt is not incompatible with reforming the planning system, can he tell the House any more about how the Government can help to reduce the costs of the planning system for business?

Mr Osborne: Planning costs in Britain are among the highest in the world and planning delays are among the longest in the world. That is what we are seeking to deal with, so that we get economic development that is sustainable and protects our most cherished environments. That is what we are doing. What people are beginning to see, as this debate unfolds, is that we have to take some difficult decisions in this House if we are to have sustainable economic growth in a very competitive global economy. The planning reforms are part of that plan.

Albert Owen (Ynys Môn) (Lab): The massive increases in energy prices are hitting every family and business in this country. Before the general election, the Conservative party, and indeed the Prime Minister, promised to take direct action and curb excessive rises. What action does the Chancellor intend to take to cure this problem now?

Mr Osborne: I took action in the Budget to cut fuel duty.

Mr Philip Hollobone (Kettering) (Con): What would happen to domestic interest and mortgage rates were Britain to lose its triple A status by relaxing its financial deficit reduction targets?

Mr Osborne: Of course the benefit of having a credible economic policy and a credible fiscal policy is having low market interest rates. Greece today has one-year bond rates of 82% and Italy's bond spreads have gone out in recent days. We are borrowing money at 2.3%, and that is, in part, because we have a credible economic policy. If we did not have plans to deal with the largest budget deficit in the G20, we would find ourselves in a similar position to Italy or Spain.

Naomi Long (Belfast East) (Alliance): The Chancellor will be aware that air passenger duty has a particular impact in Northern Ireland, particularly as it places pressure on business and discourages tourism. What action does he intend to take, and when, to ensure that we can maintain our links, particularly our transatlantic ones?

Mr Osborne: I am very aware of the issue relating to the continental flight from Belfast to the eastern seaboard of the United States, and I have spoken to Northern Ireland's First Minister and Deputy First Minister about it. I can see that there is a particular challenge because of the proximity of the airport in Dublin, and the British embassy in Washington has also been very active in dealing with the company in the United States. I can assure the hon. Lady that we are on the case.

Jo Swinson (East Dunbartonshire) (LD): There is still huge public anger that taxpayers have had to bail out the very banks whose cavalier and risky behaviour led to the global economic meltdown. Further to the eloquent question from the Father of the House, the right hon. Member for Louth and Horncastle (Sir Peter Tapsell), when Vickers reports next week will the Chancellor ensure that he acts promptly to introduce any necessary legislation to implement the recommendations, in order to avoid a repeat of the financial crisis, and that he does not listen to the vested interests arguing for delay?

Mr Osborne: It was this coalition Government who established the Vickers report. Those questions were simply not asked by the previous Government—we are asking those questions. However, I am afraid that the hon. Lady will have to wait until Monday to hear the Government response to the Vickers report.

Mr Iain Wright (Hartlepool) (Lab): Harold Macmillan, the most successful Chancellor and Prime Minister that Eton has ever produced, once said that effective Governments need to adapt to "Events, dear boy, events." Could the Chancellor, dear boy that he is, outline to the House the events that would warrant a change in his economic policy, or is he woefully negligent, blinkered and complacent?

Mr Osborne: I think the hon. Gentleman is being rather harsh on Hugh Dalton, who I think also went to Eton.

Matthew Hancock (West Suffolk) (Con): Do not recent revelations show that the previous Government were masters of nothing?

Mr Osborne: That is a brilliant plug for my hon. Friend's new book. I am sure that the whole House will want to read it, because it will remind us of everything that went wrong under the previous Government.

Several hon. Members *rose—*

Mr Speaker: Order. Time is up. I would love to call more hon. Members, as I enjoy nothing more than hearing my colleagues ask and answer questions, but I am afraid that we must move on to the ten-minute rule motion.

Currency and Banknotes (Amendment)

Motion for leave to introduce a Bill (Standing Order No. 23)

3.34 pm

Mr Douglas Carswell (Clacton) (Con): I beg to move,

That leave be given to bring in a Bill to amend the Currency and Banknotes Act 1954 to allow banknotes in addition to those issued by the Bank of England to be legal tender; and for connected purposes.

[Interruption.]

Mr Speaker: Order. I am trying to be helpful to the hon. Gentleman and I apologise for interrupting him, but I appeal to Members who are leaving the Chamber please to do so quickly and quietly, extending the same courtesy to the hon. Gentleman as they would want to be extended to them in comparable circumstances.

Mr Carswell: Thank you, Mr Speaker.

My Bill would amend the Currency and Banknotes Act 1954 to enable a range of different currencies to be used as legal tender in Britain. The idea comes from a 1989 Treasury paper when John Major was Chancellor. What the Treasury proposed as theoretically possible 22 years ago, the internet now makes practically achievable.

The internet has given people unprecedented choice. We have access to a greater range of music, financial services, groceries and books than ever before, so why do we have legal tender laws that create a monopoly currency? Thanks to eBay and Amazon, it is possible to buy and sell hundreds of thousands of items at the click of a mouse. It is even possible to do so using whichever currency we please. By making a range of different currencies legal tender in the UK, my Bill would enable people to go a step further. People could buy things, store wealth and pay taxes in a range of different currencies too. Families would be able to plan their financial future without having to do so using a currency that is set to halve in value in the next 14 years. Businesses concerned about rising prices could protect themselves.

We would not need to carry multiple currencies about us in a multi-currency country. Non-cash payments, which since 2004 have exceeded cash payments, mean it would be as easy as using a debit or Oyster card. The 40 years since the collapse of Bretton Woods have been a grand currency experiment. People in Britain might have been using pounds as the unit of currency for centuries, but for the past 40 years the pound has been a fiat—or paper only—currency. Until 1971, the British state could not simply print as much money as it liked, but since then, a mere 40 years ago, the year that I was born, the number of pounds in circulation—the money supply—has been directed by Government and by the state. With a fiat pound, there has been no external constraint limiting the amount of money in circulation besides the self-restraint of the British state.

Government turns out not to be very good at restraining Government. UK money supply has grown from £31 billion in 1971 to more than £1,700 billion today—many times faster than the economy. For 40 years, monetarists have argued with those who claim that they follow Keynes about the rate at which the money supply should be increased. There has been much debate about which branch of the state should take the decision. Should it be Ministers, who are accountable to this House, or experts sitting in the Bank of England? Monetarists or Keynesians, the Monetary Policy Committee or Ministers: so long as it has been left to Government to manage our currency, our currency has been debauched. State officials proved to be no better at managing a nationalised currency than they are at running nationalised airlines or telephone lines.

Just as a broken clock manages to tell the correct time twice a day, our monetary managers have got the settings right on occasion. More often, however, we end up hearing how the state planners lacked the benefit of hindsight. Perhaps we should stop expecting planners to get anything right.

Our paper-only currency system emerged out of the 1960s and 1970s. Like many ideas that grew out of that technocratic age—such as urban tower blocks, child-centred education or DDT pesticide—what seemed terribly modern, forward-looking, progressive and scientific turned out to be a disaster. A small but growing number of academics now see the west's unfolding financial crisis not simply as a banking problem. It was not simply caused by inadequate capital ratios or too much short selling. Instead, they see it as a fundamental failure of this fiat currency experiment.

A credit balloon was created by reckless management of the money supply. Using inflation, Governments were able to whittle away their debts. Monetary management favoured the debtor over the saver and the consumer over the producer. Monetary policy has encouraged us to over-consume and under-produce, to over-borrow and to save too little. In the space of a generation, fiat money has seen Government grow and the productive sectors of the economy shrink.

Under my proposal, we would no longer be forced to live under such a destructive regime. If the Bank of England keeps printing off more money—more quantitative easing, more loose monetary policy—there may be a fall in the value of its currency, but not necessarily in the value of the currency that the rest of us choose to use. At the click of a mouse, people and businesses would have an alternative. Incidentally, our ability to opt out as individuals and businesses from the MPC's monetary monopoly might encourage it to stop taking liberties with our currency.

On both sides of the House Members recognise that choice and competition safeguard the interests of the consumer and the citizen. We do not think twice about people being able to tune into different radio and television stations or choose between different hospitals for medical treatment. One day, I hope that Britain will become a multi-currency country.

My proposal for competing currencies is not a new idea. It was the policy of the Conservative Administration in 1989. An excellent Treasury paper presented to this very House suggested competing currencies as an alternative to the European single currency. Perhaps the euro, which we mercifully kept out of, is the ultimate paper-only currency. It is not even backed by the fiat of a single state authority. It is, perhaps, the fiat currency to end all fiat currencies, although perhaps not in quite the way that the architects of economic and monetary union expected. If, as seems possible, the euro breaks up, we should revert to and revisit the ideas in that Treasury paper. By adopting competing currencies, Britain could save herself by her exertions, and save European economies by her example.

Replacing the monopoly of one failed fiat currency with multiple competing currencies would allow euro members the least painful means of extricating themselves from the monetary monster that holds them captive. With choice and competition, all Europeans might be free from the monetary mismanagement that always comes from on high.

3.41 pm

John Mann (Bassetlaw) (Lab): I rise to speak because I think it is appropriate that someone from the Labour Benches should oppose this true bastion of Conservatism. History demonstrates to us that, given the opportunity and power, the Conservative party will always attempt to undermine, whittle away and eventually destroy the great institutions of this country. We are seeing it with the police service and the NHS. But Conservative Back Benchers want to go much further. Here we have them proposing a motion, which they wish to become legislation backed by their Front Bench, to take on, challenge and destroy sterling. I think that we on the Labour Benches want to defend the great currency of sterling against such an imposition of Euro-fanaticism—for that is what we have grown to expect from the Conservative party, although it is never up front, never to the public.

One recalls of course that, after Harold Wilson, Denis Healey and others blocked European adventurism, it was the Conservative party, inspired by Sir Keith Joseph, that resolutely took us into the European Union. Who was it who introduced all these new employment laws—maternity leave, paternity leave, a range of rights at work? Indeed, we backed them on that, rightly. It was none other than Margaret Thatcher and the Conservative party, who signed Maastricht. That was the fundamental—

Mr Speaker: Order. I have been listening to the hon. Member for Bassetlaw (John Mann) in a variety of forums for 25 years, and I see no reason to cease doing so now. However, I gently remind him that the matter under discussion is the proposed amendment to the Currency and Banknotes Act 1954.

John Mann: I thank you, Mr Speaker. I was just drawing the parallels with this pernicious motion, which would destroy sterling at the moment of its introduction. We saw the coalition partner, the hon. Member for Colchester (Bob Russell) give an example this very week of how on Eurostar the euro is the currency of use, not sterling. The hon. Member for Clacton (Mr Carswell) wishes to impose the euro on every shop across the country, for every transaction. He would go further: he would allow the Iranian rial and other currencies to be used. When I go to buy my midget gems from the corner shop, I wish to use sterling; I do not wish to use the euro or the Iranian rial.

The idea was inspired by a paper from 1975 by Hayek, which dictated the monetary policy to which the Government are adhering. Hayek first made the proposal, to try to break down boundaries. The concepts of "ever onwards", free trade, the breakdown of the nation state and the destruction of national currencies are really what Back-Bench Conservative Members are about; they would open the floodgates to euros at every corner shop in Britain.

We should not oppose the motion today; we should give it time, so that the arguments can be developed further, and so that we can hear the supporters' true perspective—then we should vote it down. I resolutely stand up for sterling and the corner shop, and oppose the euro and the attempt to impose it on us, but I do not seek to divide the House. Let us give the hon. Member for Clacton more time to put his case, and let us then destroy him in the vote.

Question put and agreed to.

Ordered,

That Mr Douglas Carswell and Steve Baker present the Bill.

Mr Douglas Carswell accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 20 January, and to be printed (Bill 226).

Health and Social Care Bill (Programme) (No. 3)

3.47 pm

The Minister of State, Department of Health (Mr Simon Burns): I beg to move,

That the Order of 31 January 2011 (Health and Social Care Bill (Programme)) as supplemented by the Order of 21 June 2011 (Health and Social Care Bill (Programme) (No. 2)) be varied as follows:

1. Paragraphs 5 and 6 of the Order shall be omitted.

2. Proceedings on Consideration shall be taken on the days shown in the first column of the following Table and in the order so shown.

3. Each part of the proceedings shall (so far as not previously concluded) be brought to a conclusion at the time specified in relation to it in the second column of the Table.

TABLE

Proceedings	*Time for conclusion of proceedings*
First day New Clauses and New Schedules relating to, and amendments to, Parts 3 and 4 other than: (a) New Clauses, New Schedules and amendments relating to transitional arrangements for NHS foundation trusts, (b) New Clauses, New Schedules and amendments relating to private health care, and (c) amendments providing for commissioning consortia to be known as clinical commissioning groups.	8.30 pm on the first day.
New Clauses and New Schedules relating to, and amendments to, Parts 3 and 4, which relate to transitional arrangements for NHS foundation trusts or to private health care; amendments providing for commissioning consortia to be known as clinical commissioning groups.	10.00 pm on the first day.
Second day New Clauses, New Schedules and amendments relating to the provision of information, advice or counselling about termination of pregnancy.	One and a half hours after the commencement of proceedings on consideration on the second day.
Remaining New Clauses and New Schedules relating to, and remaining amendments to, Parts 1, 2 and 5 to 12; remaining proceedings on consideration.	6.00 pm on the second day.

4. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 7.00 pm on the second day on which proceedings on consideration are taken.

I will speak briefly to the programme motion, as I am sure that all hon. Members who wish to take part in debate on the Bill would like to make progress and get on to the main core of the amendments before us. As they will see, we have set in train our plan to hold Report and Third Reading over two days, commencing now and continuing until 10 pm tonight, and resuming on Wednesday, after Prime Minister's questions and any other business that takes place on that day. As is normal, Third Reading will take place an hour before the end of that day.

As we are all aware, we arrive at Report with the Bill having received extensive scrutiny in two House of Commons Committee stages. Our first Committee stage, in February and March this year, lasted 28 sittings. It was the longest Committee stage of any Bill since the Criminal Justice Bill of 2002-03. At the conclusion of proceedings, even the hon. Member for Halton (Derek Twigg), who led for the Opposition in that Committee, acknowledged that

"every inch of the Bill"—[*Official Report, Health and Social Care Public Bill Committee*, 31 March 2011; c. 1310.]

had been

"scrutinised".

Following a listening exercise and the work of the Future Forum, the Bill was re-committed to a further Committee stage of 12 sittings. If that had been a stand-alone Committee stage, it would have been the longest for any Bill sponsored by the Department of Health since 2003. All that means that the Bill has been scrutinised for a total of over 100 hours, and has been the subject of 40 Committee sittings—more sittings than there has been for any public Bill between 1997 to 2010. I will dwell on that point for a moment, and remind hon. Members of recent Health Bills that predate this Government.

The Health Act 2009 was scrutinised over eight sittings, as was the Human Fertilisation and Embryology Act 2008. The Bill Committee for the Health and Social Care Act 2008, which among other provisions set up the Care Quality Commission, sat for 12 sittings, a number matched by the Health Act 2006. As the keener mathematicians among us might have realised, the total number of Commons Committee sittings for these four Bills was 40—the same number as for this single Bill. In these 40 sittings we had a great number of debates where the issues were fully debated, sometime more than once.

Having had such substantial debate in Committee, we feel strongly that two days on Report is a thoroughly appropriate length of time. I have heard the calls from certain Opposition Members that more time is needed. I find that intriguing, given the rarity with which two-day Report stages were granted under the previous Government.

Frank Dobson (Holborn and St Pancras) (Lab): Is it not treating the people who work in the national health service with contempt to expect the House to consider more than 1,000 amendments and new clauses in two days? Is that not a disgrace?

Mr Burns: The right hon. Gentleman's hyperbole does not match the facts. He mentioned 715 amendments —*[Interruption.]* Yes, but the right hon. Gentleman mentioned 715 amendments dealing with one issue within the more than 1,000 amendments. May I point out to him that 715 amendments are all technical amendments? They change the name of GP consortia to clinical commissioning groups, following the recommendations made by the Future Forum and others working in the health service, which I would have thought would be welcomed by the Opposition Front Bench team at least. That number bloats and distorts the total number. The other significant number of amendments—121—deal with the continuity of services, which is an

issue that the Opposition Front-Bench team implored us to bring before the House, rather than allowing it to be dealt with another place. That is why we have done so.

If we are going to be somewhat churlish, let me point out that 100 amendments were tabled by the official Opposition, of which 41 have been selected, and the vast majority of those amendments have been dealt with in Committee in great detail. So in that respect we will be going over well covered ground.

I do not intend to speak for long as I do not wish to detain the House. There is work to be done. This Government have allowed four two-day Report stages in this Session alone. Let me remind the House of one of those rare Government Bills that was granted a two-day Report stage under the previous Government—the Planning Bill in June 2008, with which I know the right hon. Member for Wentworth and Dearne (John Healey) is extremely familiar and probably very fond of. For that Bill the Government of the day thought that two days were appropriate—an interesting judgment, given that they were tabling 29 new clauses and seven new schedules on Report. Indeed, by the end of Report, the Planning Bill had grown by 25%. That compares with the nine new clauses that the Government have tabled on Report for the Health and Social Care (Re-committed) Bill. So that those on the Opposition Benches get the message, that is nine new clauses under this Government, as opposed to 29 new clauses in the right hon. Gentleman's Bill.

Let us give the Opposition the benefit of the doubt. They might have forgotten what the right hon. Gentleman said when the Planning Bill was, unusually, allowed two days on Report, so let me remind them:

> "My reasons for moving this motion were straightforward... It is true that the Bill is wide-ranging and important, which is why we have, unusually, provided two full days for the Report stage... we have departed from the usual by giving two days to this consideration."—[*Official Report*, 2 June 2008; Vol. 476, c. 507.]

He established the fact that it is highly unusual. The Health and Social Care Bill has had far more time in Committee than previous Bills, and we are giving an extra day to allow hon. Members the opportunity to contribute to debates, although I must warn my hon. Friends that some of the debates will be a repetition, particularly for those who served on the Committee. It is for those reasons that I urge the House to support the motion.

3.56 pm

Liz Kendall (Leicester West) (Lab): We oppose this programme motion because it fails to give hon. Members enough time to scrutinise one of the most important Bills of this Parliament and, indeed, of the 63 years of the NHS. It is one of the largest Bills of recent times and the largest ever in the history of the NHS, with 420 pages and more than 300 clauses. It is also one of the most controversial. It will force the NHS through a massive reorganisation, which is already happening even though the Bill has not been passed, when it should be focused on meeting the biggest financial challenge of its life and improving patient care. It also seeks to make fundamental changes to the way our NHS is run, driving competition into every part of the system whether or not it is in patients' best interests.

Labour has led the arguments against the Bill since the autumn, helping to create the widespread opposition that has already forced the Government to pause and amend their plans. However, the Government, far from what the Minister said, refused to give the second Bill Committee enough time to scrutinise properly the changes after their so-called listening exercise. *[Interruption.]* The Minister tuts from a sedentary position, as is his wont, but 42 Government amendments and two new clauses were not debated in the second Committee due to a lack of time. They have not even bothered to publish the explanatory notes and impact assessment for the post-pause Bill, so the two days on Report that the programme motion proposes would have been insufficient in any case.

Then, on Thursday, three days before this debate, more than 1,000 new Government amendments were tabled, 363 of which are significant. They include a completely new set of proposals on whether local NHS services and, indeed, entire hospitals will be allowed to fail—proposals that could affect every constituency in England. It is a gross discourtesy to this House, not to mention to patients and NHS staff, to produce such important proposals and give such little time for scrutiny. I am sure that Members of the other place will take that into consideration in their deliberations on the Bill.

We are now faced with hundreds of significant new amendments and a series of fundamental questions about the post-pause Bill, and yet we have only two days for debate. Who will have the final say, and who is accountable for vital decisions about the future of local services? What will the Government's health care market mean for expensive local services that do not make money, such as accident and emergency services and geriatric care, if hospitals lose services that do make money, such as hip and knee operations? How will NHS patients be protected if the private patient cap is abolished and hospitals are forced to take on more patients who pay in order to balance their books? What will be the true cost to taxpayers of the extra red tape and bureaucracy created by the Bill?

The Government's failure to give the House sufficient time for scrutiny and provide proper answers about their Bill means that many NHS staff and patients remain deeply concerned. Unfortunately, that seems to have passed the Prime Minister by. Two weeks ago, he claimed:

> "the whole...profession is on board for what is now being done."

I wonder whether "the whole profession" includes the British Medical Association, which says—

Mr Burns *indicated dissent.*

Liz Kendall: The Minister groans. If he thinks that the body representing doctors in this country is worthy of that response, that is a disgrace. The BMA says that the Bill is still

> "an unacceptably high risk to the NHS, threatening its ability to operate effectively and equitably now and in the future".

It calls for the Bill's withdrawal

> "or at the very least further, significant amendment".

Chris Skidmore (Kingswood) (Con) Is the BMA not the same organisation that opposed the creation of the NHS in 1948?

Liz Kendall: The Prime Minister claims that the whole profession is now on board for the Bill, and that simply is not the case. Government Members, particularly those on the Liberal Democrat Benches, should remember that the Government have no mandate from either the election or the coalition agreement for fundamental aspects of the Bill. In fact, the coalition agreement promises to do precisely the opposite—to stop top-down reorganisations of the NHS.

The Government want to railroad the Health and Social Care Bill through the House in the face of widespread opposition and huge controversy, and with no mandate for their plans.

Andrew Percy (Brigg and Goole) (Con): Will the hon. Lady give way?

Liz Kendall: I will not, because we need to get on to the substance of the debate. The less time that the Government give MPs to scrutinise the Bill, the more people will think that they have something to hide; the more they hide, the longer it will take to get the Bill through the other place.

Unless hon. Members vote against the programme motion, it will be left to Members in the other place to provide the parliamentary scrutiny that the Bill needs and to get answers to the serious questions that remain. I believe that Members of this House should scrutinise legislation and get the answers to questions that our constituents need and deserve. The Government are refusing to give us the time to do our job. I urge Members to vote against the programme motion.

4.2 pm

Mr Peter Bone (Wellingborough) (Con): I start from the default position of opposing programme motions. The Government have consistently said that they also oppose programme motions and that they will overcome that problem by introducing a House Committee which will, of necessity, do away with programme motions, because the House will decide.

We have to look at programme motions now on the merits of each and every case. In this case, I have to say to the hon. Member for Leicester West (Liz Kendall) that I cannot agree with her. The Government have been very willing to listen to people—politicians—and to redo completely the parliamentary scrutiny of the Bill. They sent it back to Committee, from where it has come here. On this occasion, the Government have bent over backwards for scrutiny, and I will be voting with them in the Aye Lobby.

Question put.

The House divided: Ayes 299, Noes 232.

Division No. 335] **[4.3 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Cameron, rh Mr David
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Grant, Mrs Helen
Grayling, rh Chris
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David

Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Stephen Crabb and Norman Lamb

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve

McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sheridan, Jim
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, Mr Iain

Tellers for the Noes:
David Wright and Lyn Brown

Question accordingly agreed to.

Health and Social Care (Re-committed) Bill

[1st Allocated Day]

Consideration of Bill, as amended in the Public Bill Committee

Mr Speaker: Before the House embarks on the Bill, it may help if I deal with a matter that has been raised with me concerning the 715 virtually identical Government amendments changing the phrase "commissioning consortia" to "clinical commissioning groups". These are the fourth group on today's selection list. It has never been the practice of the House or its Committees to allow a single global amendment to make a series of identical or very similar amendments. The rule that any substantive change to the text of the Bill must be done by an amendment is designed for the protection of the rights of all Members and the integrity of the legislative process. I do understand that in this case it leads to a particularly bulky amendment paper. The fact that a practice is long-standing does not, in my view, mean that it is sacrosanct. Any hon. Member who wishes is of course free to ask the Procedure Committee to inquire into this matter. I hope that that is helpful.

I should also inform the House that amendment 781, which is printed on page 2985, should appear on page 3051, and amendments 945 and 946, which are printed on page 3138, should appear on page 3068. That has no material effect on today's proceedings, but I know that the House will have wanted me to share those crucial nuggets of information with it.

Sir Peter Bottomley (Worthing West) (Con): On a point of order, Mr Speaker. The House will have noted your comments about the repetitive amendments. Are we to take it that we have to go through quite a lengthy procedure in order just to be able to list the places where the words would be substituted? Is it not possible—is it not in your power or that of the Leader of the House—to make the change without having to go through weeks and weeks of Committees and other consideration? I do not necessarily need an answer now, but that is a consideration to which I would have thought a reforming Speaker might have found a solution.

Mr Speaker: I thought that I had found a very satisfactory way forward—one that should appease the hon. Gentleman and perhaps mollify him, putting him in a better frame of mind. There will be a grouping. If he is inquiring of me whether a separate Division will be required to give effect—

Sir Peter Bottomley *indicated dissent.*

Mr Speaker: The hon. Gentleman is shaking his head from a sedentary position to indicate that that is not the burden of his proposition, in which case I am not sure what is. I can nevertheless assure him that no separate Division will be required. I think that at the end of our proceedings he will be in the good humour to which we know he is accustomed.

Sir Peter Bottomley: Further to that point of order, Mr Speaker. The point was the one that you have made, which is that the amendment has to be repeated, with

different pages and lines. I suggest that an amendment might be tabled setting out a list of the pages and lines where it applied.

Mr Speaker: What I am saying is what I have already said, which is that there is no provision for a global amendment. An amendment is required to be made in each case. That does not entail a separate Division or what the hon. Gentleman in his first point of order described with some trepidation as a "lengthy procedure". There will be no requirement for a lengthy procedure. Ministers seem sanguine; so am I—so, I think, should the House be. Perhaps we can now proceed to the business before us.

New Clause 2

CONDITIONS RELATING TO THE CONTINUATION OF THE PROVISION OF SERVICES ETC.

'(1) The things which a licence holder may be required to do by a condition under section 104(1)(i)(i) include, in particular—

(a) providing information to the commissioners of services to which the condition applies and to such other persons as Monitor may direct,

(b) allowing Monitor to enter premises owned or controlled by the licence holder and to inspect the premises and anything on them, and

(c) co-operating with such persons as Monitor may appoint to assist in the management of the licence holder's affairs, business and property.

(2) A commissioner of services to which a condition under section 104(1)(i), (j) or (k) applies must co-operate with persons appointed under subsection (1)(c) in their provision of the assistance that they have been appointed to provide.

(3) Where a licence includes a condition under section 104(1)(i), (j) or (k), Monitor must carry out an ongoing assessment of the risks to the continued provision of services to which the condition applies.

(4) Monitor must publish guidance—

(a) for commissioners of a service to which a condition under section 104(1)(i), (j) or (k) applies about the exercise of their functions in connection with the licence holders who provide the service, and

(b) for such licence holders about the conduct of their affairs, business and property at a time at which such a condition applies.

(5) A commissioner of services to which a condition under section 104(1)(i), (j), or (k) applies must have regard to guidance under subsection (4)(a).

(6) Monitor may revise guidance under subsection (4) and, if it does so, must publish the guidance as revised.

(7) Before publishing guidance under subsection (4) or (6), Monitor must obtain the approval of—

(a) the Secretary of State, and

(b) the National Health Service Commissioning Board.'.
—(Mr Lansley.)

Brought up, and read the First time.

4.22 pm

The Secretary of State for Health (Mr Andrew Lansley): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

Government new clause 6—*Objective of trust special administration.*

Amendment 10, page 83, line 5, leave out part 3.

Amendment 1225, in clause 57, page 83, line 13, leave out 'monitor' and insert 'Integrated Health Service Regulator (elsewhere referred to in this Bill as "Monitor")'.

Amendment 1226, in clause 58, page 83, line 20, at end insert 'and

(c) is sufficiently integrated so as to reduce any risk to patient care and to provide continuity of service.'.

Amendment 1207, page 83, line 23, after 'preventing', insert 'competitive or, as the case may be,'.

Amendment 1227, in clause 59, page 84, line 42, at end insert 'bearing in mind that it should be balanced with ensuring the protection of health service integration.'.

Amendment 1228, page 85, line 2, at end insert—

'(3A) "Integration", in relation to health services, means the provision or commissioning of health services in a manner to ensure the viability of the full range of health and social care facilities which a community might reasonably expect from the NHS, including the provision of complex and commercially less attractive and difficult to provide emergency and other acute services which require to be provided on a site or in a manner which benefits from its collaboration with other acute health specialities or services.'.

Government amendment 87.

Amendment 1205, in clause 61, page 86, line 14, at end insert—

'(n) the need to avoid existing NHS services, including but not restricted to, emergency care, intensive care, chronic and complex care, teaching, training and research, becoming unviable or unstable due to an unplanned reduction in income or case-load.'.

Government amendment 90.

Amendment 1208, in clause 70, page 92, line 7, after 'in', insert 'competitive or, as the case may be,'.

Amendment 1209, page 92, line 8, at end insert—

'(d) protect and promote the integration of health services and health and social care services,

(e) improve the equality of access to NHS services and healthcare outcome,

(f) do not undermine the stability of existing NHS services, including but not restricted to, emergency care, intensive care, chronic and complex care, teaching, training and research.'.

Amendment 1229, page 92, line 8, at end insert—

'(d) do not act in a manner which risks undermining the viability of maintaining essential or designated core health services or the essential integration between health services.'.

Amendment 1219, in clause 74, page 94, line 22, leave out subsections (1) to (3) and insert—

'(1) Part 3 of the Enterprise Act 2002 (mergers) applies (in so far as it would not otherwise) where two or more enterprises have ceased to be distinct enterprises and specifically the activities of one or more NHS foundation trusts and the activities of one or more businesses have ceased to be distinct activities.'.

Amendment 1220, page 94, line 29, leave out 'subsections (2) and (3)' and insert 'subsection (1)'.

Government amendments 91 to 107.

Amendment 28, page 117, line 22, leave out clause 110.

Government amendments 113 to 115.

Amendment 44, in clause 119, page 123, line 30, at end insert—

'(10A) A description for the purposes of subsection (9)(b) may be framed by reference to—

(a) the level of workforce training undertaken by the provider, and

(b) the extent to which the provision of its service leads to consequential costs for other providers.'.

Government amendments 116 to 136.

Amendment 29, in clause 130, page 132, line 34, at end insert—

'(5AA) Regulations under this section must ensure that where transfers of property or liabilities occur, they can only be transferred to another NHS body.'.

Government amendments 137 to 164.

Amendment 30, in clause 134, page 136, line 26, leave out 'licence holder' and insert 'NHS body'.

Government amendments 165 to 180.

Amendment 19, page 156, line 38, leave out clause 166.

Government amendments 181 to 184.

Amendment 1166, page 159, line 2, leave out clause 167.

Government amendments 185 to 187.

Amendment 20, page 163, line 14, leave out clause 176.

Government amendments 188 to 217.

Amendment 8, page 168, line 6, leave out clause 182.

Government amendment 218.

Amendment 9, page 168, line 39, leave out clause 183.

Government amendments 219, 220 and 366 to 372.

Mr Lansley: Our plans for modernising the NHS are focused not only on improving the quality of care of patients today, but on ensuring that the NHS is fit to face the challenges of tomorrow—to ensure that the NHS is always there, always improving and always based on the needs of patients, not their ability to pay. Parts 3 and 4 of the Bill are an integral part of achieving that aim. They take forward our commitment to protecting patients' interests, by establishing a comprehensive system of regulation in part 3, and to promoting high quality services, by supporting all NHS trusts to become foundation trusts in part 4.

The regulatory framework that we inherited from the previous Government simply did not do enough to protect patients. It lacked a way to protect patients' interests in relation to all types of provider. The previous Government set up two regulators—Monitor for foundation trusts and the Care Quality Commission—but forgot, or neglected, to create an explicit link between the two. They also left independent providers outside much of that regulatory oversight. We have proposed the development of Monitor as a health sector-specific regulator, establishing equivalent safeguards to protect patients' interests in relation to all types of provider.

By contrast, let us look at Labour's proposed amendment—amendment 10, in this group—which would delete all of part 3. That would leave the NHS in a position in which inconsistent regulation as between NHS trusts and foundation trusts undermined accountability and performance, in which independent providers were not regulated effectively, in which the Labour Government's preferential treatment of independent sector providers could carry on, and in which politicians would continue to second-guess regulatory decisions, creating a double jeopardy for providers. On the Government side of the House, however, we recognise the needs of the NHS. We recognise the fact that patients' interests must be protected, irrespective of the type of organisation providing their NHS services, in a clear, consistent, transparent framework.

These parts of the Bill have been scrutinised in the Bill's two Committee stages and by the NHS Future Forum. I should like once again to thank Professor Steve Field and the members of the NHS Future Forum for their work in making recommendations on how to improve our plans. We then took those recommendations forward in the recommittal stage. As a result of the listening exercise, we made changes to introduce stronger safeguards, to ensure that fears of a market free-for-all could not happen. Monitor's core duty has been changed to make it clear that it is there to protect and promote patients' interests, and that it will not be required to promote competition as if that were an end in itself.

Chris Leslie (Nottingham East) (Lab/Co-op): Do not the right hon. Gentleman's changes to the Bill still emphasise far too much the supposed read-across with competition law, treating health provision as though it were simply another utility? With regard to mergers and changes, for example, the Office of Fair Trading will be the arbiter on competition duties. Why has he chosen the OFT as arbiter in such cases?

Mr Lansley: I am not sure that the hon. Gentleman has followed this closely enough. We do not do any of those things. We are very clear that, through the Bill, we are creating, in Monitor, a health sector-specific regulator that will be able to exercise competition powers in a way that is entirely sensitive to the duties that it has for sustaining high-quality NHS services. As I will explain later, there will be a role for the OFT. Indeed, it has a role now. Labour Members should know that the application of competition law inside the NHS at the moment is exactly the same as it will be after the Bill. However, instead of it being done through the OFT as principal competition authority, it will—with the exception of mergers, which I will talk about later—be done through the concurrent powers of Monitor. The NHS Future Forum helpfully discussed these matters at length with people throughout the country, and concluded that it would be in the interests of the NHS for the legislation to create concurrent competition jurisdiction for Monitor, thereby ensuring that the application of competition rules—which is not changed in its extent by this legislation—is achieved in a health-specific context.

Nick Smith (Blaenau Gwent) (Lab): Why will Monitor have no duty to promote collaboration, as recommended by the Future Forum?

Mr Lansley: I am sure that the hon. Gentleman will want to look at clause 20, which is very clear about Monitor's responsibilities. I am sorry—it is not clause 20; I will find it later. Monitor's duties are very clear, and they include support for the integration of services and for the continuous improvement of quality of services. Across the NHS there is existing legislation making it clear that there is a responsibility for collaboration. As we have made clear in response to the NHS Future Forum's report on the listening exercise, we are taking an evolutionary approach. The competition and co-operation panel was established under the Labour Government in January 2009. At that time, the panel made it absolutely clear that there should be a health basis for the implementation of competition and

procurement rules in the NHS. That panel is now to be incorporated as part of Monitor. As its name implies, it examines both competition and collaboration. Monitor, like other bodies, has a duty to promote the integration of services.

Now, as I said, we have introduced safeguards against privatisation. This Bill, for the first time, stops the Secretary of State—and, indeed, Monitor or the NHS commissioning board—from trying deliberately to increase the market share of a particular type of provider. If the previous Labour Government had put such a requirement in law when they were office, hundreds of millions of pounds would not have been paid to independent sector treatment centres to carry out operations that were not required and never took place. If the Opposition had their way this afternoon, the safeguards that we intend to put in place would not be available.

4.30 pm

In its response to the opportunity provided by Report stage, the Labour party is being not progressive but reactionary, while the trade unions are being misleading in the presentation of their campaign. To be specific, the trade unions and other proxy organisations such as 38 Degrees have gone to some trouble to misrepresent the Bill in order to attack it.

Toby Perkins (Chesterfield) (Lab): I am grateful to the Secretary of State for giving way. Does he think that the British Medical Association, too, is misrepresenting the position when it says that even after Report stage there will still be too much emphasis on using market forces to shape health services? Is the BMA misrepresenting the truth as well, or is it just the Labour party?

Mr Lansley: I was interested to read this morning a letter whose lead signatory was Hamish Meldrum, the chairman of the BMA council, whom I know well. It was curious because his objection to the Bill, which he wants to be amended, was about the introduction and extension of the role of "any qualified provider". However, that extension is not in the Bill. It is not occasioned by the Bill; it is a consequence of the way in which commissioners—*[Interruption.]* No, it does not. If there were no Bill, it would be open to strategic health authorities and primary care trusts to extend "any qualified provider" and patient choice in the NHS to whatever extent they wished. The Bill does not make that happen.

The point is that under the legislation there is a stronger safeguarding process, because the commissioners—

Toby Perkins *rose—*

Mr Lansley: I will finish answering the hon. Gentleman before letting him intervene again.

The safeguard structure will be stronger, because commissioners must ensure, for example, that they meet their duty of continuous improvement of quality, their duty of safety and their duty of integration of services and other duties, including a duty to promote patient choice—but of course they have to balance those duties. Whether they extend "any qualified provider" is a matter of judgment. If they took the view that the extension of patient choice would be inimical to the integration of services and the improvement of quality, they would not go ahead with it. The hon. Gentleman and his colleagues should recall that they have put in an NHS constitutional right for patients to exercise choice, so if the commissioners think it is possible to promote choice and improve quality by extending the any qualified provider remit, they can do it, but the Bill is not what enables it. It is therefore curious that the Bill should be attacked on that basis.

Toby Perkins: I am grateful to the right hon. Gentleman for giving way a second time. That was a very long answer to a short question, but I understand the Secretary of State to be saying that the BMA is wrong and the Labour party is wrong. Everyone I meet in the health service tells me that it is the Secretary of State who has got it wrong. He has come back here once again, confirming that he is not listening to what people are saying to him. He thinks the BMA is misleading people, but is it possible that he is the one who has got it wrong?

Mr Lansley: I will give the hon. Gentleman a shorter answer this time: he does not talk to enough people in the NHS.

Let me return to the important point that I was about to make. I was saying that criticism of the Bill has typically developed to the point of literally misrepresenting the facts in order to attack the Bill, as was the case with 38 Degrees. I am indebted to my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) for sharing with me a letter that he prepared for the better information of his constituents. He looked at the legal opinion obtained by 38 Degrees and concluded that it did not support the views that those behind the 38 Degrees website evidently wished it did.

For example, 38 Degrees claims that the Bill removes the Secretary of State's duty to provide a comprehensive health service. However, its own legal advice makes it clear that the Secretary of State has never had a duty to provide a comprehensive health service—only a duty to "promote" a comprehensive health service, which is exactly reproduced in clause 1.

Clause 1 also makes it clear that the Secretary of State must secure the provision of that service. The "duty to provide" certain services to which 38 Degrees refers is a duty that I, as Secretary of State, currently delegate to primary care trusts. In future, the Bill will—in exactly the same way—pass that duty of the Secretary of State to the NHS commissioning board and to clinical commissioning groups. In other words, the situation will be legally unchanged. The Secretary of State has a duty, and discharges it through organisations to which he or she delegates that power. Strictly speaking, they have more direct statutory duties, but the duty to provide will not change.

38 Degrees also claims that the Bill opens up the NHS to competition law, but its own legal advice—which it obviously did not like—made it clear that there would be no change between the present competition regime and that which would operate if and when the Bill became law.

I am very grateful to my hon. and learned Friend, whose forensic analysis accords with our own view. The provision, under the Bill, of a comprehensive NHS is watertight, and it is equally clear that the Bill does not change the extent of the application of competition law

[Mr Lansley]

and EU procurement rules. The 38 Degrees campaign should be seen for the distorting and misleading political propaganda that it is.

Andrew George (St Ives) (LD): I entirely endorse the Secretary of State's point about the biased way in which the last Government advanced the private sector, but may I make a point about the changes that have resulted from the listening exercise? The Secretary of State has sought to reassure the House about Monitor's role of integration and promoting collaboration. Would he be prepared to respond to, and perhaps even accept, amendments that I have tabled—for example, amendment 1226—which propose, I think reasonably and in a balanced way, that promoting the importance and the role of integration should be among the principal duties?

Mr Lansley: As we said in our response to the recommendations of the NHS Future Forum, we recognise the importance of integrating health and social care services—while concentrating on the needs of patients and their families—to the achievement of our aims. However, I do not believe that we would further those aims by changing Monitor's name, as amendment 1225 suggests. Although I agree with the aims of my hon. Friend the Member for St Ives (Andrew George), we have an alternative approach.

Rather than making it explicit that the Secretary of State could impose requirements on commissioners in key areas through regulations, as my hon. Friend suggests in amendment 1209, the Bill proposes that commissioners should have clear statutory duties to reduce inequalities between patients, in relation to both access and outcomes. That is covered in clauses 20 and 23. Commissioners would also have to promote integration of services in carrying out those duties. That is covered in clause 20, which inserts new section 13M of the National Health Service Act 2006, and in clause 23, which inserts new section 14Y. Those clauses refer respectively to the NHS commissioning board and to clinical commissioning groups.

The Bill would also establish clear duties for Monitor to allow the integration of health care services and the integration of health care with other relevant services, including social care. We have already amended the Bill to make it clear that Monitor should not promote competition for competition's sake: this is all about quality. However, integration can only ever be a means to that end, not an end in itself. Integration, like competition, is designed to secure continuous improvement in the quality of services and a reduction in inequalities, as clauses 20 and 23 make clear.

Although I understand the point that my hon. Friend is making, I ask him to not to press amendments 1225 to 1228 when we reach the appropriate moment.

Frank Dobson (Holborn and St Pancras) (Lab): The Secretary of State has pleaded the legal view of one of his Back Benchers in rebutting the case made by others about the impact of the changes in his duties. Will he tell us what advice he received from the Department's lawyers or the Law Officers of the Crown?

Mr Lansley: It is not the practice of Ministers to publish their internal legal advice, but what I will say to the right hon. Gentleman is very straightforward, because I have said it time and again: our legal advice clearly sets out the duty of the Secretary of State to promote a comprehensive health service and to secure the provision of a comprehensive health service, and that is also clearly set out in the Bill and our amendments to it. We are clear, too, that the Bill does not change the extent of the application of competition law and EU public procurement rules. I have taken the liberty of referring to the comments of my hon. and learned Friend the Member for Sleaford and North Hykeham on the basis that they entirely agree with the legal advice on which we have based our view.

Several hon. Members *rose—*

Mr Lansley: I had better give way to the hon. Member for Pontypridd (Owen Smith) first, as no Opposition Front-Bench has previously intervened.

Owen Smith (Pontypridd) (Lab): Is it not disingenuous of the Secretary of State to keep repeating that the application of competition law is not expanded or changed by the Bill? We know that the change in the architecture of the NHS—the use of competition law, the writing of competition law into the architecture of the NHS, and the entry of lots of other providers into a genuine marketplace—will lead to competition law increasingly being used by people who wish to provide NHS services, breaking up the NHS. Labour Members have repeatedly stated that, and it has been confirmed by independent legal advice. That is our point. It is straightforwardly the case, and I suggest that it is disingenuous to say competition law does not apply.

Mr Lansley: I did not say that competition law does not apply; if the hon. Gentleman is going to attack me, he might at least get what I said right. I said that the Bill does not change the extent of the application of competition law. The House should know that the debate about the extent to which competition law, and in particular EU competition law, is applicable within the NHS is a matter of debate among lawyers. That is because it has not been tested in courts, but it was always going to be tested in courts and it is much more likely to be tested in them if we do not pass this measure, which not only gives Monitor a responsibility to be the concurrent competition jurisdiction, but, through its licensing powers, allows it to take ex-ante steps. The hon. Gentleman therefore misses the point; the point is that by introducing the private sector into the NHS before the last election, his party's Government inevitably extended the application of EU competition law in respect of NHS providers—not NHS commissioners, I might add. To that extent, he has therefore missed the point. EU procurement rules have applied, and continue to apply. We cannot change that.

Several hon. Members *rose—*

Mr Lansley: I will not give way again, or Mr Deputy Speaker will chide me for not addressing the substance of the amendments.

During the listening exercise, we heard concerns about how we would secure continued access to NHS services in the event that a provider fails clinically or financially.

We promised then to strengthen our proposals and bring back changes at the next possible parliamentary stage, and we have done that.

What should happen in the NHS when things go wrong has long been the subject of debate in this House, often without satisfactory resolution. Those of us who were in the House when my predecessor stood at this Dispatch Box and said that what happened at Maidstone and Tunbridge Wells was the responsibility of local managers, and that what happened at Mid Staffs was all a local issue, will recall how difficult it was then, and over the recent past, to know what the Secretary of State's accountability for the NHS actually meant.

In 2003 the Labour Government said that they would put in place a legislative framework for dealing with the failures of foundation trusts. They then failed to do that. The Health Act 2009 regime was contradictory in respect of interventions, but in response to failure it simply enabled foundation trusts to be de-authorised, thereby undermining the integrity of foundation trust status and demonstrating a lack of confidence in foundation trust regulation. Evidence does not support that lack of confidence, however. Monitor has generally handled financial stability more effectively in foundation trusts than strategic health authorities have done in NHS trusts. Putting these measures clearly into legislation is necessary not because providers are more likely to fail—on the contrary, we are putting in place measures that make it less likely that they will fail—but because, as when writing a contract, in writing legislation one must be clear about what happens when things go wrong.

4.45 pm

Our plans are comprehensive and detailed, and there are a considerable number of amendments. So that the House can see and understand the detail, I published last week a document setting out the Government's approach, as well as detailed briefing notes explaining the effect of each of the amendments. We have revised our plans for ensuring continuity of services with three principles in mind. The first is to protect patients' interests and improve outcomes; patients must be able to get the high-quality services they need. The second is to maintain local decision making and enhance democratic legitimacy; local authorities would have scrutiny of proposed service changes. The third is to deliver value for money. I am confident these revised proposals will deliver on those principles.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Did not the Minister of State, Department of Health, the right hon. Member for Chelmsford (Mr Burns) say in Committee that under the relevant clause,

"the OFT could make a reference to the Competition Commission to review foundation trust mergers to test whether they gave rise to a substantial lessening of competition"—[*Official Report, Health and Social Care Public Bill Committee,* 17 March 2011; c.885.]?

Does that not undermine the democratic element that the Secretary of State has just tried to explain?

Mr Lansley: I said that I would come on to the continuing role of the OFT in relation to mergers, and I will.

Returning to this substantial group of Government new clauses and amendments, the purpose of which is to set out the regime for the continuity of services, our new proposals focus on five particular changes. Together, the proposed changes significantly improve upon the existing situation. First, the Bill puts clinically led commissioning at the heart of securing high-quality services for local populations. It is therefore right that commissioners should have a leading role when continuing access to services is threatened. Our amendments therefore strengthen the role of commissioners. For the first time, commissioners will have an explicit role in working with Monitor to agree plans to secure continuity of services.

There will also be an oversight role for the NHS commissioning board. Where issues involve more than one clinical commissioning group, it will be the board's role to co-ordinate agreement so that a joint plan is agreed. Secondly, commissioners will need to be supported in acting with providers to ensure that they have access to the scope, quality and choice of services they need. It is about promoting high-quality, effective and integrated services, as set out in clause 58. This will be the task of Monitor.

If need be, when continued access to services is threatened because of failure occurring in a particular provider, Monitor will have a range of actions it can take. For example, it could take action to secure sustainability of essential services by adjusting prices. This would be necessary where a provider is otherwise unable to cover the costs of essential services—for example, because of lower patient volumes in more remote areas of the country. That was included in the Bill from the outset, and our amendments strengthen the provisions by ensuring that Monitor must agree the methodology with the NHS commissioning board.

Rosie Cooper (West Lancashire) (Lab): Will the Secretary of State be clear on this issue? Can the enhanced tariff that I think he is suggesting Monitor can use to save a provider apply to private companies as well as the NHS?

Mr Lansley: It would apply in any circumstances where it was necessary in order to secure continued access to essential services for patients, so a methodology would be in place. As I have described, the intention is to have a regime through which, although specific mechanisms will be applied to foundation trusts and to other providers—of course, the overwhelming majority of activity is in the hands of foundation trusts—the principles of intervention will be the same between the two sets of providers. We want to arrive, wherever possible, at a consistent application of failure rules. Why? Our concern is to make sure that we deal with this, which has not been the case in the past. Under Labour's regime, if a private sector or independent sector provider failed financially, there was no appropriate mechanism for intervention and continuity of services.

Mark Simmonds (Boston and Skegness) (Con): Will my right hon. Friend confirm that the additional funding he is describing will not be used to bail out, in the traditional way, inefficient and ineffective health providers, but will be used to ensure that services continue to be provided, particularly in rural areas, where the cost base may, necessarily, be more than it is in the metropolitan cities?

Mr Lansley: Yes, I understand that and I think that my hon. Friend makes entirely the right point. This is not about a bail-out; the commissioning board and

[Mr Lansley]

Monitor will need to agree the methodology, because neither side will wish to undermine the integrity of the regulatory structure and the price structure that Monitor is responsible for, nor will the NHS commissioning board and commissioners want to pay any more for services than is necessary to secure continued access. None the less, continuing access to quality services for patients is the essential principle, and so there will be circumstances, particularly where it has become evident that in the absence of this there would be an unacceptable deterioration in or failure of services, in which it is necessary for the methodology to add to the tariff price.

Fiona Mactaggart (Slough) (Lab): The right hon. Gentleman will recall that very shortly after Monitor had approved the granting of foundation trust status to my local district general hospital, Wexham Park hospital, it ended up in very serious financial difficulty, and I was grateful to him when he arrived with a loan to ensure the continuation of service. What I am not clear about in the regime that he proposes is who will be able to provide those kinds of resources when something as important as the district general hospital's future is at risk.

Mr Lansley: I am grateful to the hon. Lady for that. I will deal with that matter in a moment, because subsequent amendments in this group continue the capacity of the Department of Health, for example, to make a loan in those circumstances—that would not change.

Of the five principal changes that I was talking about—

Grahame M. Morris (Easington) (Lab) *rose—*

Mr Lansley: I have reached the third of them, so I will carry on for a moment, if I may.

Thirdly, if a provider gets into significant difficulties, we have provided Monitor with powers to be able to try to turn around the provider. The aim would always be to support the recovery of the provider, wherever this was possible. Specifically, the amendments require Monitor to maintain an ongoing assessment of risk to the continued supply of NHS services. Monitor must then intervene proactively to help a provider to address problems and, where necessary, agree contingency plans with commissioners. New clause 2 and amendments 100 to 104 achieve this.

Fourthly, we have put in place provisions to deal with the rare event of a provider no longer being sustainable in its current form. In that instance, the priority must be to secure continued access to the services patients need. This protection is particularly important in relation to foundation trusts, which of course are the principal providers of acute, emergency and specialist hospital services.

So we have put forward amendments that would build and improve on the previous Government's regime established under the Health Act 2009. The improvements would ensure that foundation trusts do not revert to being NHS trusts and that commissioners take the lead in securing continued access to NHS services, and they would increase democratic legitimacy by allowing the Secretary of State to intervene in individual cases to protect patients' interests. At the same time, we are retaining Bill provisions to allow Monitor proactively to regulate to secure continued access of NHS services delivered by companies and social enterprises, through provisions on the health special administration regime, should these providers become unsustainable. New clause 6 and amendments 107, 188 to 193, 195 to 204, 217, 218 and 371 to 372 achieve this.

Fifthly, it is essential that political accountability runs through what hon. Members will all know is central to our responsibilities to our constituents. Our plans therefore strengthen political accountability at both the local and national level. At a local level, the amendments enhance democratic legitimacy by extending local authority scrutiny to all NHS services. That is in contrast to previous proposals, where only designated services would have been subject to such scrutiny. At a national level, we will establish a process for the Secretary of State to veto proposals, in individual cases relating to unsustainable foundation trusts, if he decides that they do not secure continued access to NHS services and, as a last resort, to intervene where he believes that the NHS commissioning board or Monitor has failed to discharge its functions. This veto will ensure that the Secretary of State retains all the powers needed to retain his role—

Grahame M. Morris: Will the Secretary of State give way?

Mr Lansley: In a moment. I want to complete the five points; otherwise people might not see them in their entirety.

The veto will ensure that the Secretary of State retains the powers needed to fulfil his role in promoting a comprehensive health service. Amendments 205 to 207 and 208 to 216 achieve this.

Grahame M. Morris: Will the right hon. Gentleman clarify an issue to do with the Secretary of State's powers to intervene in the event of failure? I am thinking in particular of the reports about freedom of information requests that appeared in *The Guardian* earlier in the week, which said that Department of Health officials had been in discussions with Helios about a potential transfer of between 10 and 20 NHS hospitals to the private sector. Is that a scenario in which the Secretary of State would use his powers?

Mr Lansley: I do not recognise such a scenario and in any case there will be no transfer of NHS-owned organisations and the estate and property of such to the private sector. We are not engaging in privatisation, so to that extent the question does not arise.

I must also make it clear that the implication of the proposals I have just described—

Clive Efford (Eltham) (Lab): Will the Secretary of State give way?

Mr Lansley: No.

The implication of these proposals is that we are not continuing with our previous proposals to have a system of prior designation. We are also withdrawing our proposals to apply insolvency law, including the health

special administration procedure, to foundation trusts, so I hope that Opposition Members will not press amendments 29 and 30.

I hope that that explanation of the purpose of the substantive group of Government amendments will help the House. In a moment, I shall turn to some of the additional amendments that have been presented by other colleagues.

Owen Smith: Let me clarify a remark that the Secretary of State just made to my hon. Friend the Member for Easington (Grahame M. Morris). The Secretary of State said that there would be no instances where NHS properties might be transferred to private companies, but he will know that under schedule 23 there is provision for precisely that. Such companies are described there as a "qualifying company". A licence holder could be a private company to which NHS material—even staff—and other liabilities might be transferred. Is that not right?

Mr Lansley: The point I am making is that we are not transferring foundation trusts or NHS trusts into the private sector. We are not planning to do that. The particular case to which the hon. Member for Easington (Grahame M. Morris) referred was misrepresented as a proposal to transfer the ownership of NHS organisations. There is no such proposal; we are not planning to do that.

As I have described, the Bill would establish a comprehensive system of regulation focused on protecting and promoting patients' interests and applicable to all providers of NHS services. The purpose of part 3 is to protect our health services from the unrestrained operation of market forces—otherwise, why would we want this structure of regulation? That is why it is there. The provisions will ensure that services are not destabilised or undermined and will protect the public and patients' interests.

Let us consider the implications of the Labour party's amendment 10, which would remove part 3 of the Bill. The impact of removing part 3 would be to expose the NHS to the full force of competition law, as I described earlier, without the safeguard of a health sector regulator and without any sensitivity to the needs of patients, health services and our NHS. It should not be beyond the wit of Opposition Members to recall the impact on the health service and, in particular, on pharmacy services, when the Office of Fair Trading undertook an inquiry into the provision of pharmacy services from a competition perspective without any reference to the health perspective.

Grahame M. Morris: Will the Secretary of State give way?

Mr Lansley: No.

That is what happened in the past and it is important that it does not happen in the future. We must have a health sector-specific regulator to see the health-related aspects of such matters.

Labour's amendment 10 would potentially expose the NHS to practices that we do not wish to see. That would include paying over the odds for private sector services, as the previous Government did when they paid £250 million extra to the independent sector for operations that were never carried out; the cherry-picking of easier operations by the private sector, which is an issue in the NHS because the previous Labour Government let it happen; unreformed payment by results, losing the focus on outcomes and integration; and the retention of a system of payment based on price. We are not introducing payment by results; we are reforming it. Payment by results, as implemented by the Labour party, was simply payment for price and volume, not for quality.

Amendment 10 would leave independent sector providers of NHS-funded services, which serve hundreds of thousands of patients a year, unregulated by Monitor and unprotected if the service in which they are being treated gets into financial difficulty. So Opposition Members will wish to consider whether all of those things are what they want to be voting for when they walk through the Lobby later on.

5 pm

Margot James (Stourbridge) (Con): Does my right hon. Friend think that the previous Government set up the system for private companies so that they could fail without any redress on the part of the Government precisely because the companies had such a favourable financial regime bestowed on them that they could not possibly fail?

Mr Lansley: My hon. Friend is right in relation to the independent treatment centre contracts. They were constructed in a way that effectively removed most of the financial risk from the operators. For other private sector operators in the NHS that is not necessarily true. For example, most of us would recognise that private sector providers are instrumental to continued access to many NHS diagnostic services. There are providers who could fail and at the moment no regulatory structure is in place for that.

Let us continue down the path of the implications of the removal of part 3, which the Labour party proposes. Part 3 includes clause 60. I am sure that Opposition Members are familiar with clause 60, their having served in Committee for so long. It is the means by which, if the hon. Member for Islington South and Finsbury (Emily Thornberry) recalls, we can consider the application of Monitor's functions to adult social care. So precisely when we are legislating to be able to consider whether the implications of an issue such as that at Southern Cross are such that there should be an additional prudential regulatory regime, the Labour party would take away that opportunity.

Emily Thornberry (Islington South and Finsbury) (Lab): Does the Secretary of State agree that it is unfortunate that the Government have not had an opportunity to table detailed amendments on how they would deal with situations such as Southern Cross? To table an amendment that simply says, "At some stage in the future, the Government may be able to do something about a failing organisation such as Southern Cross", is not necessarily adequate. Although there will be a White Paper on social care next spring, we understand that there are unlikely to be any further details until that point.

Mr Lansley: I am confused. I understood that the hon. Lady was a member of the Bill Committees. [HON. MEMBERS: "She was."] She does not seem to have learned what is going on in the Bill. Clause 60 was not an amendment; it was in the Bill from the outset. It was not introduced as a result of what happened at Southern

[Mr Lansley]

Cross. We had anticipated the need to address the extent to which Monitor's functions in relation to the health sector—

Emily Thornberry: Will the Secretary of State give way?

Mr Lansley: No. I will answer her question. The functions that it exercises in relation to health care include assessing viability and taking action if access to services or the interests of patients or care users are threatened. The Government can consider that by virtue of clause 60. It was not an amendment. So the idea that the measure could not be scrutinised is absurd. It has been in the Bill through all the 100 hours in Committee. If the hon. Lady never said anything about it, that is her own fault and as the shadow care services Minister she should have been more on the ball.

Emily Thornberry: Will the Secretary of State give way?

Mr Lansley: No. She can sit down.

Let me come to the other Opposition amendments. Amendment 10 would delete all of part 3, which would be absurd. Some of the other Opposition amendments are equally absurd. Amendment 28 envisages that part 3 would remain in place, but that Monitor would license providers of NHS services. However, it then takes away any means of enforcement. Perhaps the Labour party has forgotten that in government if you create obligations it is rather helpful to create a means by which they can be enforced.

Opposition amendment 44 would take the Bill down a slippery slope by trying to prescribe the range of factors that Monitor should reflect in setting prices for NHS services. Such a list could never be exhaustive and would inevitably suggest that some factors were more important than others. It would undermine our ability to hold Monitor to account for setting prices that promote patients' interests. We must focus Monitor on its duties to promote the quality, efficiency and effectiveness of NHS services, not on trying to prescribe in legislation how it goes about it.

Labour Members have tabled amendments to part 4 that indicate that they either do not understand the Bill, or have abandoned their previous, repeated commitment to supporting all NHS trusts in becoming foundation trusts. They gave that commitment back in 2003, when they passed the necessary legislation, and repeated it in about 2006, when they said that trusts should all be foundation trusts by 2008. The Labour party manifesto from last year—2010—said:

"All hospitals will become Foundation Trusts, with successful FTs given the support and incentives to take over those that are under performing".

Compare our programme for such hospitals as those in Trafford and Carlisle. The manifesto continued:

"Failing hospitals will have their management replaced. Foundation Trusts will be given the freedom"—

additional freedoms—

"to expand their provision into primary and community care, and to increase their private services".

We will debate that later today, but I should complete the quote, or I might be accused of being selective:

"where these are consistent with NHS values, and provided they generate surpluses that are invested directly into the NHS."

That is exactly what we are proposing.

The Labour party appears utterly confused. Does it support foundation trusts or not? The NHS Future Forum said that all NHS trusts should continue to work towards achieving FT status by 2014. It was right: achieving FT status is about demonstrating clinical and financial stability, and we think that all NHS providers should be expected to do that, in the interests of NHS patients and staff. If we maintained the NHS trust legislative model in statute, we would risk losing the change in mindset and the momentum that is being demonstrated by prospective foundation trusts.

Our consequential amendments 219, 220 and 367 to 370 will simply remove references to NHS trusts when they no longer exist—and not, of course, until then. For the hon. Member for Pontypridd, I add that our amendments 185 to 188 make it clear that—sadly for those in Wales—a foundation trust cannot merge with or acquire a Welsh NHS trust.

The Opposition want to take the retrograde step of de-authorising foundation trusts, retaining NHS trusts under the Secretary of State's direct control, and having them dependent on the layers of bureaucracy that go with that. There would be all the regulatory requirements for foundation trusts and independent providers, and all the bureaucracy that has accompanied NHS trusts and strategic health authorities. That would undermine the FT regulatory regime and the objective of all NHS trusts becoming FTs. Opposition Members who voted in favour of the original legislation establishing foundation trusts in 2003 can have no credibility in supporting Labour now, because the very purpose of that legislation was to give hospitals greater autonomy.

Other Opposition amendments would simply result in duplication and reduced coherence in the Bill. For example, amendments 1166 and 19 seek to retain controls on goods and services, and borrowing and property, but that would duplicate Monitor's powers through the licensing regime. Deleting clause 166, as the Opposition propose would undermine our intention of increasing transparency in the public financing of foundation trusts. I am looking for the hon. Member for Slough (Fiona Mactaggart); this would have been her moment. Through our amendments, we can show how we can maintain support for FTs, if necessary, in a transparent fashion, including through a requirement, which the Labour party apparently wants to delete, on the Secretary of State to publish an annual report showing what form of financial support has been given to foundation trusts.

I turn to the amendments tabled by my Liberal Democrat friends below the Gangway, who expressed their intention of improving NHS services and ensuring sustainable access for patients. We all share those aims, but I believe that we have in place alternative approaches to meeting those aims. The hon. Member for St Ives tabled a series of amendments emphasising the need to secure sustainability in the provision of NHS services. Securing sustainable access to meet patients' needs is fundamental to good commissioning. We would expect the board to ensure that there was sufficient competency over issues when it authorised clinical commissioning groups to take on their new responsibilities, and when holding them to account for doing that job.

As the Government have said many times, our focus is on outcomes, including ensuring that patients have access to the services that they need when they need

them. That the outcomes must be sustainable is obviously implied, but that is not necessarily the same as saying that commissioners must ensure the sustainability of particular providers or particular services, as amendments 1205 and 1209 suggest when referring to the sustainability of "existing NHS services". In some cases it will not be in the interests of patients to maintain the status quo—for example, where those services may be unable to improve in line with new standards of clinical best practice, or where there is clear evidence that centralising specialist services on fewer sites would improve health outcomes, as we have seen in examples relating to cardiac, stroke and trauma services. So although I agree with the intention behind these amendments regarding the role of commissioners, I must urge the hon. Member for St Ives not to press them.

I addressed earlier the hon. Gentleman's amendments about integration and collaboration. On integration, we agree with the conclusion of the NHS Future Forum that integrating services around the needs of patients and giving patients greater choice over who provides those services are not mutually exclusive. As the NHS Future Forum made clear, this is a false dichotomy. As the NHS Future Forum's report stated:

> "If commissioners want to commission integrated care they will only succeed in doing this by creating a new market in integrated care services and stopping the current commissioning of episodic services from different NHS organisations."

As the hon. Member for St Ives will recognise, his amendments 1207 and 1208 are based upon that dichotomy, so I ask him to withdraw them.

Andrew George: Will the Secretary of State give way?

Mr Lansley: No. I do not want to intrude on the time of other Members.

Amendments 1219 and 1220 tabled by my hon. Friend the Member for Southport (John Pugh) would apply the Enterprise Act 2002 to mergers of the activities of foundation trusts with businesses, but would exclude from these arrangements mergers between foundation trusts. I have given careful thought to this proposal, but I am not convinced that it would address two of the problems of the existing regime.

There is currently legal uncertainty as to when and where the 2002 Act would apply to mergers of foundation trusts. As a result, under the current arrangements for the review of mergers involving foundation trusts by the Co-operation and Competition Panel, there is always a potential risk of duplication—or worse still, double jeopardy. The risk arising from a separate regime for foundation trusts would be increased where a trust's activities extended beyond Monitor's remit—for example, where a foundation trust provided social care or supplied goods. Consolidating oversight of foundation trust mergers under the Enterprise Act, as proposed by the Bill, would avoid the risk of double jeopardy and eliminate the uncertainty of the current approach.

Mergers are a specialist area. Hence, we think it is right to maintain existing responsibilities and expertise within the Office of Fair Trading and the Competition Commission, rather than resource a further body to consider potential mergers in health care. It may reassure my hon. Friend if I say that the OFT and the Competition Commission would consult Monitor to ensure that they had a full understanding of the health care issues involved.

Tom Blenkinsop: Will the Secretary of State give way?

Mr Lansley: No.

The OFT and the Competition Commission would obtain Monitor's view on how a proposed merger would affect competition in the sector and whether it would bring benefits for patients. These views would then be considered, along with other evidence. However, the OFT would have discretion not to refer, where patient benefits outweighed any adverse impacts on competition—further illustration of the fact that competition law is not about promoting competition as an end in itself.

In conclusion—

Fiona O'Donnell (East Lothian) (Lab): Will the Secretary of State give way?

Mr Lansley: No.

I return to the choice offered in this group of amendments between the Government and Opposition Members. The Government are putting forward a range of amendments to protect patients' interests and to safeguard them when providers run into difficulties and access to services is threatened. The amendments show that the Government have listened and improved the Bill. These amendments are on top of the changes made at earlier stages to strengthen the safeguards and protections offered by Monitor as a new provider regulator.

The Opposition simply want to delete the whole of that part—delete the safeguards to stop price competition, delete the means to stop cherry-picking, delete the means to enable NHS providers to work on a level playing field. The Government's new clauses and amendments move us forward with the right safeguards in place. Labour would take us back. I urge the House to support the Government new clauses and amendments in this group—specifically, new clauses 2 and 6 and amendments 90 to 107, 113 to 220, and 366 to 372.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The Secretary of State has insisted that the amended Health and Social Care Bill shows that the Government are listening, but despite their reassurances there are many reasons why the Bill remains a threat to the future of the NHS. Central to the reforms is the proposal to increase competition across the NHS by opening it up to providers, particularly those from the private sector. The Government claim that increasing competition drives down costs and improves quality, but overwhelming international evidence suggests that this simply is not the case in health care.

5.15 pm

Chris Skidmore (Kingswood) (Con): Is the hon. Lady placing on the record her party's opposition to any form of competition in the NHS?

Debbie Abrahams: As we have shown, we are not opposed to private sector involvement in the UK's health system. What is important is that it should add value and capacity. The Government's proposals are a completely different ball game.

Mark Simmonds: Will the hon. Lady give way?

Debbie Abrahams: No, I will make some progress.

The listening exercise failed to register the concern of many health professionals. Despite what the Government say, many health professionals feel very concerned about the amended Bill. Instead, the Government changed Monitor's duty from one of promoting competition, as set out in the first version of the Bill, to one of preventing anti-competitive practice. The lawyers will have an absolute field day with that one. The Government talk of reducing bureaucracy, but I think we will see even more bureaucracy as a result of this.

Fiona O'Donnell: Does my hon. Friend recall, as I do, that time and again in the recommitted Bill Committee we asked Ministers and Professor Field what the impact of that change would be? We are still waiting for a satisfactory answer.

Debbie Abrahams: There are many unanswered questions about the Bill, which makes it particularly dangerous.

By opening up competition under the guise of increasing patient choice and clinician-led commissioning, the Government are trying to increase both demand and supply for these services, but the implication for a single-payer health system with a fixed budget, such as the NHS, is that this will inevitably lead to financial meltdown. The only way this can be avoided is by injecting extra capital into the system and the Bill achieves this in many ways. We need to look at not only this cluster of amendments but all the amendments and clauses in the Bill as a whole, because they are interrelated.

First, the Bill allows foundation trusts to borrow money from the City to invest. This is supported by the opening up of EU competition law. Foundation trusts are currently social enterprises and are exempt from part of EU competition, but this opening up will open the flood gates. It means that the trusts will have to compete for tenders with private health care companies. They will have to repay the money they have borrowed by treating more and more patients, including private patients, which will be aided by the abolition of the cap on income from private patients. However, many foundation trusts will still struggle, so the Bill introduces a new insolvency regime to enable private equity companies to buy NHS facilities and asset-strip them, which has direct parallels with the demise of Southern Cross.

Secondly, waiting lists will go up. We are already seeing that across the country, including in my constituency. We have seen that already because unrealistic efficiency measures mean that cash-strapped primary care trusts are rationing access to treatment such as cataract surgery and hip replacements.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): Does the hon. Lady not accept that waiting lists have not gone up in England but have gone up in Wales, where Labour is in control of the NHS?

Debbie Abrahams: It is very interesting that the Government have changed how they measure waiting lists and now use an average, so those indicators are a movable feast.

As waiting lists go up, new health insurance products on the market are enticing people to believe that all their treatment and care can be met fully by the private sector. This will be complemented by new insurance markets set up for top-ups and co-payments. We know from the United States that people on low incomes will be less able to afford these products directly, which will impact on the existing health inequalities that the Secretary of State has stressed his commitment to reducing. Why are we doing this? It will increase and exacerbate the inequalities that already exist in accessing care.

Finally, the Bill allows both the national commissioning board and clinical commissioning groups to make charges. I foresee that in the next Parliament there will be more direct patient charges if this Government get in again. As the NHS budget is fixed, the drive for excess capacity will drain that budget rapidly. That will result in clinical commissioning consortia increasingly becoming rationing bodies. As waiting lists increase, they will attempt to manage the issue by reducing the number of core services. That will drive foundation trusts into further debt, forcing closures, mergers and private management takeovers, and we are already seeing that.

Tom Blenkinsop: On the point about foundation trust mergers, when was the last time the Office of Fair Trading was in charge of a merger of one foundation trust and another? Was it not in fact the Co-operation and Competition Panel, which, according to the Bill, will sit within Monitor?

Debbie Abrahams: I am grateful to my hon. Friend for drawing that to my attention. He is absolutely right.

The Secretary of State's duty to secure and provide a comprehensive health service is a key issue and needs protecting in full. It should not be changed at all. Why are we changing it if is already acceptable? I am sure that we will revisit the matter tomorrow.

Although the Government have supposedly made concessions, recognising that attempting to privatise the NHS, just as the utilities were privatised in the 1980s would not be acceptable to the public, they have changed tack, not direction. Opening up the NHS to EU competition law may dramatically increase the amount of capital available to bring into our health service, but ultimately that capital will flow back to investors at a profit, at the expense of patients and the UK taxpayer. That will only increase income and health care inequalities even further—another way in which the Secretary of State's duty will not be met. It is clear that the NHS cannot survive the Bill. The NHS needs appropriate reform and proper accountability, but definitely not an opening up of the market in this way.

Caroline Lucas (Brighton, Pavilion) (Green): Does the hon. Lady acknowledge that when her party introduced foundation trusts back in 2003, many of us warned that it would lead to precisely the kind of privatisation that is now being threatened? Does she now regret that?

Debbie Abrahams: Fortunately, I was not a Member of Parliament at that time. As I said earlier, I have no problem with the private sector's being part of our health system when it adds capacity and value, but the Bill is a whole new ball game.

Tom Blenkinsop: There is a fundamental difference between this Bill and any other on the health service. The Government are writing the Enterprise Act 2002 directly into the Bill, which means that it refers to

foundation trusts as enterprises and businesses. That extends the ability to merge with business, not just within the NHS framework. That means that the Government have potentially opened up the NHS to European and UK competition law, and they know that full well.

Debbie Abrahams: I thank my hon. Friend for that contribution.

Dan Byles (North Warwickshire) (Con): What does the hon. Lady say to Professor Stephen Field, who was the chairman of the independent NHS Future Forum? He told the Bill Committee:

"When we spoke to the Government and...a lot of senior staff at the Department of Health...we did not, at any time, pick up any feeling that anyone wanted a free open market where people could come in and privatise the NHS, as some people have said in the press."—[*Official Report, Health and Social Care (Re-committed) Public Bill Committee,* 28 June 2011; c. 15, Q26.]

Debbie Abrahams: I would be happy to forward to the hon. Gentleman a *British Medical Journal* article that reproduced in full the concerns of health care professionals that were not included in that account. Unfortunately, there is an element of bias in how they have been reported.

Frank Dobson: Steve Field was a great asset to the Government when he was president of the Royal College of General Practitioners and overwhelmingly welcomed everything that they were proposing. That was probably why he was replaced by a new president who does not do that.

Debbie Abrahams: I thank my right hon. Friend.

When I raised these issues in the recent recommitted Bill Committee, the Minister suggested that I was scaremongering and, with the rest of those on the Government side, refused to accept any of our amendments—not a single one. Given what recent revelations are proving, perhaps he would like to withdraw some of his comments and concede that I have not been scaremongering.

I urge Liberal Democrat MPs who have felt compelled to support this Bill and their Front-Bench colleagues but whose conscience tells them that it is wrong to vote against the amendments and the Bill. This is not what they signed up to.

Mr Stephen Dorrell (Charnwood) (Con): I welcome the amendments that the Government have tabled for consideration. I also welcome the very detailed way in which my right hon. Friend the Secretary of State introduced what is, as I am sure he will acknowledge, a substantial group of amendments. He emphasised that their purpose is to give effect to the undertaking that the Government gave when they set up the NHS Future Forum to ensure that the findings of that forum are reflected in the legislation, and that the Bill, when it reaches the statute book, is built on the work of Professor Field and his colleagues.

One purpose of the amendments is to respond to many of the points that have been made, throughout the passage of the Bill, about the role of Monitor. I completely agree with my right hon. Friend that many of those observations about the supposed role of Monitor have been based on a misunderstanding, whether deliberate or otherwise, of the intention behind the Bill when it was first introduced. Whether the misunderstanding was deliberate or accidental, the Government are responding to virtually all those points in order to make it clear that, in the context of the Bill, the central purpose of Monitor is not to be a blind economic regulator based on the assumption that the health service is simply another utility. Various loose words have been used that bear that construction—but never by Ministers, and the implications of those observations have never been accepted by Ministers. As I have understood it—this is why I have supported the Bill throughout its passage—the Government's intention has always been to ensure that the new NHS envisaged by the Bill gives effect to the basic commitment on which the Government were elected to ensure that the health service secures equitable access to high-quality health care for all patients regardless of their ability to pay.

Fiona O'Donnell: The right hon. Gentleman referred to a misunderstanding of the original Bill. The Secretary of State said that that arose because he was a poor communicator. Do so many organisations still oppose the amended Bill because he is still a bad communicator or because it is still a bad Bill?

Mr Dorrell: In considering these amendments, it is important to refer to the individual functions of Monitor envisaged in the amended Bill and test them against the assertions that have been made, throughout the passage of the Bill, about what Monitor is there for. We must also test them against the Future Forum's recommendations about how the role of Monitor should be clarified in order to remove these misunderstandings.

First—I warmly welcome this—it is made clear in the Bill as amended and the supporting documentation from the Department that although the Government intend to continue, as did their predecessor, to encourage the conversion of NHS trusts to foundation trusts, there will be no reduction in the standards required to qualify for the status of foundation trust. The registration principles established by Monitor, which are broadly welcomed throughout the health service, are intended to justify the independence that comes with foundation trust status. Those standards will continue as a gold standard under the new NHS, and achieving them, rather than meeting some artificial deadline, is the key determinant of whether a trust achieves foundation trust status. I welcome the fact that the Government have made that clear. It responds to a specific recommendation by the Future Forum, and it is exactly right.

5.30 pm

Secondly, the Future Forum also envisaged that the role of Monitor should not come to an end on the day that a trust achieves foundation trust status. There should continue to be, on behalf of the taxpayer and of patients, an oversight role to ensure that organisations that have achieved foundation trust status continue to meet those standards and to deliver the quality of care required by patients and commissioners. That is now set out clearly in the Government's supporting paperwork. It is part of the role of Monitor, and I welcome the fact that—having established that there will be no diminution

of standards in the achievement of foundation trust status—it will have continuing oversight to ensure that those standards continue to be met.

The third point that was highlighted by the Future Forum—once again, it was accepted by the Government in these amendments—is the need to ensure that not only will there be continuing oversight of the achievement of those standards by foundation trusts, but Monitor will have the power to intervene if a threat emerges to the achievement of those standards by a foundation trust. Patients can be confident not only that there will be oversight, but that Monitor—on behalf of the taxpayer and of patients—has the capacity to intervene to ensure that action is taken if management in post at a foundation trust is not delivering the standards required.

Mark Simmonds: As always, my right hon. Friend is making an extremely powerful speech. Does he accept the need for Monitor to ensure that foundation trusts not only continue to meet basic standards but continue to improve those standards year on year, and thereby improve patient outcomes?

Mr Dorrell: I absolutely agree with my hon. Friend. One of the further important clarifications in their position is the stress that the Government have placed—rightly—on the importance of the link between Monitor and the Care Quality Commission to ensure that standards in foundation trusts are not just about the achievement of financial targets, but are about standards of care quality delivered to patients. The link between the two regulators—one of quality and the other of financial standards—is an important part of the regulatory structure that the Government are introducing.

Andrew George: I entirely endorse the point that my right hon. Friend makes about the need to uphold standards and the role of Monitor in that respect. However, with regard to the Secretary of State's response to me about the sustainability of essential services—acute emergency trauma centres—does he agree that Monitor must safeguard those services and not allow them to be eroded by the competitive environment in which they will operate?

Mr Dorrell: I agree that the sustainability of essential services—or, in the Government's wording, the continuity of essential services—is a key role of Monitor. If I may interpret what my right hon. Friend the Secretary of State said, the patient's interest is continuity of service, but not necessarily from the same provider for ever more. There has to be a commitment to sustain the service, and if there is to be a change of provider, the service has to be sustained through the change of provider, but the service does not necessarily have to be sustained by the same provider. Nor has there ever been such sustained service. There are not many people who rely on the service once provided by the Westminster hospital, as it is now a block of flats. I believe, however, that the service delivered to patients in this part of London is better as a consequence of the change that resulted from that decision.

Grahame M. Morris: As always, the Chairman of the Health Select Committee, is making a powerful contribution. He has really hit the nail on the head. The fundamental point, as evidenced in the Bill, is not that the provider could change—that has happened in the past, as he said, although the provider has always been a public sector provider, either in an NHS trust or an NHS foundation trust—but that, under the Bill, the provider could well be a private sector provider.

Mr Dorrell: I am grateful to the hon. Gentleman, who is a member of the Select Committee, because he provides me with a link to my next point—I was beginning to wonder how I was going to get on to it.

The health service has not always provided services from a public sector provider. Until this Bill and the powers it gives to Monitor, regulatory bodies in the public sector had not had the opportunity to inquire into the sustainability of services provided by private sector providers. My right hon. Friend the Secretary of State made the point that the role of Monitor under the Bill is to ensure first—if I may repeat myself—that foundation trusts are of a high quality when they are launched; secondly, that they are accountable for retaining their high standards; thirdly, that we intervene early if they start to go off the rails; and, fourthly, that if they get into serious difficulty, we have the capacity, through Monitor, to continue to deliver continuity of service to those who rely on public health provision, whether from an NHS foundation trust or, as a result of the Bill, for the first time from the private sector. I regard that as a significant step forward in the delivery of continuity of care for NHS patients, whether provided, as the vast majority still will be, by public sector institutions or by some of the independent sector treatment centres introduced by the previous Government.

Rosie Cooper: Does the right hon. Gentleman think that standards can be maintained, and be seen to be maintained, in foundation hospitals if they are allowed to do what they are currently doing, which is not to disclose all information relating to, for instance, complaints procedures or whatever? Furthermore, does he not think that board meetings should be held in public?

Mr Dorrell: My understanding is that the Government have clarified that foundation trust board meetings should be held in public and that, in future, it will be a requirement of licensing by Monitor. On the much broader point, I absolutely agree—the hon. Lady, who is another member of the Select Committee, knows that I agree—that providers of care to NHS patients, whether public or private, ought to have an obligation to provide information on the outcomes that they achieve and certainly on any complaints and other processes initiated by patients about the care they receive. That was one of the strong recommendations that the Select Committee made following its work on complaints. I think that that obligation ought to rest on all providers of care to NHS patients, whether they are foundation trusts or any other form of provider.

Barbara Keeley (Worsley and Eccles South) (Lab): Will the right hon. Gentleman provide some clarification? I think that he said "should" and not "must". For other functions, particularly relating to local government, the Government seem to be into dropping standards and

codes of conduct—that is certainly the case in local councils—but surely trusts "must" have meetings in public, not "should".

Mr Dorrell: Ministers can correct me, but my understanding is that, under the obligation being introduced, they "must" meet in public. I have no authority to speak for the Government, but I believe that that is what the Government intend. For myself, as a patient of a trust or other NHS provider, whether in the public or private sector, my interest lies in ensuring that the information about my—

The Minister of State, Department of Health (Mr Simon Burns) Will my right hon. Friend give way?

Mr Dorrell: Of course.

Mr Burns: I am grateful to my right hon. Friend for giving way and allowing me to clarify the point. Let me reassure him that, yes, such meetings must be held in public.

Mr Dorrell: I am grateful to my right hon. Friend, who answers the hon. Member for Worsley and Eccles South (Barbara Keeley) with very much more authority than is at my disposal.

I want to make one final point and it is a direct response to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams). Of all the misrepresentations about the intentions of this Bill that we have listened to since the White Paper was published over a year ago, the most persistent is that this is somehow a Bill—a ramp—for the privatisation of the health service.

I was first a Health Minister more than 21 years ago. Throughout that period I have listened to speeches directed first at my right hon. and learned Friend the current Justice Secretary, when he was Health Secretary, and subsequently at all his Labour and Tory successors, including me, although probably excluding the right hon. Member for Holborn and St Pancras (Frank Dobson). All their legislative and other proposals to introduce more flexible and patient and standards-oriented structures in the health service were opposed by somebody or other on the grounds that they were going to privatise the health service. If that was the purpose of those policy initiatives, the one thing that they all have in common is that they have been singularly unsuccessful. If it is the policy purpose of this Bill to privatise the health service—which I do not for one moment believe it is—it will, I am sure, be as unsuccessful as all the other measures that went before it.

Frank Dobson: I begin with a reminder. I was one of those Labour people who voted against the establishment of foundation trusts and the setting up of Monitor. In doing so, I was supported by those on the Conservative Front Bench, so I do not think that the Conservatives should claim any consistency in these matters.

My second point is that although one would never dream it was true from listening to Ministers or their supporters, it is quite clear that the national health service is now working very well and is more popular than ever; and yet we are told that it needs a radical overhaul. However, the popularity of the national health service at the time of the last general election probably explains why both the Conservative party and the Liberal Democrats promised that there would be no top-down reorganisation of it. However, if neither the Bill as originally produced nor the post-pausal Bill that we have now is top-down change, God knows how one would define it.

The whole purpose of this Bill is to shift us away from the basic collaborative approach to the provision of health care in this country and to substitute a large amount of competition, gradually involving more and more of the private sector and, I believe, privatisation. In order to put things in perspective, it is worth pointing out that when the right hon. Member for Charnwood (Mr Dorrell), ceased to be the Secretary of State for Health, the national health service was performing 5.7 million operations a year in its hospitals. When Labour left office, it was performing 9.7 million operations a year, an increase of 58%. That was the result of improved working practices developed by—

Dr Poulter: Will the right hon. Gentleman give way?

Frank Dobson: No, not for the minute.

That change was the result of improved working practices developed by the people working in the national health service, not the result of any structural changes. It was also partly the result of the biggest hospital building programme in history, as well as a lot more new and better equipment, newer GP surgeries, 78,000 extra nurses and 27,000 extra doctors. Those were among the reasons that the NHS became so much more popular. It is popular because, for most people in most parts of the country most of the time, it is already doing a very good job. However, that is now going into decline, because many people working in the NHS carrying out pre-legislative preparatory work on the proposed changes are having to divert their efforts into bringing about structural change. That is one of the reasons waiting lists and waiting times are going up—something that the Government deny is happening.

5.45 pm

Lyn Brown (West Ham) (Lab): Bearing in mind the lack of popularity of the proposals among our constituents, is my right hon. Friend as worried as I and my constituents are about the £850 million that is being spent on redundancies and the projected £2 billion of primary care trusts' budgets that is being held back from patient care to cover the risks and costs associated with the reorganisation?

Frank Dobson: I entirely agree. Nobody could possibly claim that redundancy payments constitute money being spent on improving services for our constituents. That is just money down the drain as far as patient care is concerned.

The fundamental problem behind the proposals is that the Government are, in effect, proposing a further major fragmentation of the national health service. In the past, up to the point at which the previous Tory Government introduced an internal market, the spending on administration in the NHS amounted to 4% of the total. That was largely because great big slugs of money were transferred round the system, and I am prepared to accept that there might be some disadvantages in that arrangement. Since then, however, under that Government

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and the Labour Government, the system has changed to one in which the money follows the patient. That has led to the creation of all sorts of exceptionally expensive systems to bring about individualised transactions, which has resulted in the cost of administering the national health service rising to 12% of the total—an increase of 8%. The NHS is spending about £100 billion a year at the moment, so an extra £8 billion that should have been spent on patient services is now being spent on the administration of the semi-fragmented system. What is now being proposed will involve yet further fragmentation, and I shall explain why I believe we will end up spending yet more money, but not on patients.

Chris Skidmore: The right hon. Gentleman has mentioned the £8 billion being spent on administration in the NHS. I assume that he therefore welcomes the coalition Government's decision to cut the administration budget by £5 billion by 2015. In his speech so far, however, he seems to be suggesting that the status quo is acceptable. I believe that it is unacceptable. Does he welcome the fact that we will be putting an extra £12.5 billion into the NHS?

Frank Dobson: If the hon. Gentleman—and, for that matter, the Secretary of State and the Chair of the Health Select Committee—had ever listened to what I say, they would know that I think that we need change. We need organic change, however, rather than structural change, because structural change generally costs more than it provides. If the hon. Gentleman thinks that introducing a system in which virtually every transaction will be a legally binding document, with herds of lawyers grasping their share of proceedings, will reduce the amount spent on administration, he obviously believes in Father Christmas and various other mythical figures.

Barbara Keeley: Before we get into any more claims of more being spent, I want to touch on two examples of cuts, caused by the cuts and efficiency savings, which I raised with the Minister of State, Department of Health, the hon. Member for Sutton and Cheam (Paul Burstow). The most deprived ward in my constituency is losing its NHS walk-in centre and all the people with long-term conditions are losing active case management. I raised those two cuts made by Salford PCT with the Minister in an Adjournment debate, to which I have received no answer. There is no answer. People in the most deprived wards with the greatest health inequalities are suffering from these cuts. I will not hear any more about more investment being made, because all I see as a constituency MP is less investment.

Frank Dobson: I agree entirely with my hon. Friend. A further point is that I doubt whether there is a single constituency anywhere in the United Kingdom of Great Britain and Northern Ireland that has seen more change in health provision than mine. There are not many places where a virtually trouble-free amalgamation of two major and famous teaching hospitals into one has taken place successfully. There are not very many places that have seen more small GP practices getting together in one location and improving their performance. Those things have always been done with my strong support, even when on some occasions, at least at the outset, the ideas were not popular with some local people. Therefore, I do not accept that I do not believe in change. I believe in sensible change, not stupid change, but stupid change is what we seem to be getting.

Mr Stewart Jackson (Peterborough) (Con): I admire the right hon. Gentleman's chutzpah, but I wonder whether he was missing in action during the last Parliament. Some of us were saying in 2008 that the imposition of independent sector treatment centres—Darzi centres—would have a direct impact on the budget of primary care trusts and would cause the development of structural deficits that would impact directly on poorer areas with smaller primary care facilities. Where was the right hon. Gentleman then, when it came to attacking his own Government on that specific issue?

Frank Dobson: I was attacking them! I am sorry if the hon. Gentleman did not notice, but I believe I was the first person to expose the fact that on average the private sector was paid 11% more per operation than the NHS was getting for the equivalent operation. I shall take no lessons from anybody when it comes to opposing some of the daft things that went on. I did oppose them and I am proud to have done so. What is being proposed now, however, goes far beyond that. As my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams), who has a great deal of knowledge in these matters, has pointed out, there is scarcely any evidence from anywhere in the world to show that a competitive system delivers better health care than a collaborative system.

To ask the essentially collaborative health care system in this country to turn over to being competitive is a bit like asking the Meat and Livestock Commission to promote vegetarianism: it is simply not what people want to do; it is not their approach and nor should it be. It remains the case that Monitor is still rigged in favour of promoting competition. Let me point out—hopefully without putting my glasses on—that clause 58(3) states:

> "Monitor must exercise its functions with a view to preventing anti-competitive behaviour in the provision of health care services for the purposes of the NHS which is against the interests of people who use such services."

However, it does not say that "Monitor must exercise its functions with a view to preventing competitive behaviour in the provision of health care services which may be against the interests of the people who use such services". Apparently, then, there is a basic, intrinsic and fundamental assumption that competition must be beneficial and non-competition must be harmful. If the Government say that Monitor is neutral, it should be given a neutrality in respect of competition and non-competition. As I think the hon. Member for Peterborough (Mr Jackson) would agree, the unfair competition of some of the independent treatment centres was harmful to and threatened the services provided by neighbouring NHS hospitals. There is clear evidence here of problems within the private sector.

I recall that, a few years ago, United Health—a subsidiary of the US United Health—took over three GP services in my constituency. It bid that it could provide the range of services for less than the local GPs, so it got the contracts. It has not complied with all the

conditions that were set, but the primary care trust decided that it could not take it to court because it would be such a lengthy and expensive exercise and it feared that the PCT might not win. Not content with that, United Health recently announced that it was selling the franchise to another private outfit. It did not consult the staff. It did not consult any elected local representatives—neither me nor councillors. Above all, it never consulted the patients. These private sector outfits regard patients as part of the chattels that they can dispose of to maximum benefit and maximum profit.

That illustrates the fact that if we are to have contract-based provision of services, a huge amount of lawyer effort will be put into trying to draw up watertight contracts. What one lawyer thinks is a watertight contract, another lawyer will make a leaky contract by puncturing a hole in it, and we will go over to the system in the United States, where zillions of dollars are spent on court challenges or settlements with the providers of health care.

Furthermore, there is virtually no major American supplier of health care that has not been indicted for defrauding federal taxpayers, city taxpayers, state taxpayers, doctors or patients—and sometimes all five. I thus asked the Secretary of State whether he would rule out giving any NHS contracts to any organisation that had been indicted for defrauding people in another country. He gave me about a page-long answer, which could be summarised as, "No, he would not rule them out."

We are thus talking about the possibility of European competition law being used to force our Secretary of State to allow people to give contracts to American companies whose greatest claim to fame is that they have defrauded innumerable Americans. I think that that is intolerable. I would have thought that all these anti-EU Conservatives found it rather embarrassing to think that European law was going to be used to allow fraudulent Americans to get contracts working in our national health service. All those things, however, will be possible under the system proposed by the Secretary of State.

6 pm

Many people—including, possibly, me in this speech—will find it quite difficult to mount an entirely logical and coherent response to this collection of amendments, given their nature, scale and variety. Let me return to a point that I made when the Minister of State, Department of Health, the right hon. Member for Chelmsford (Mr Burns), was introducing the ludicrous programme motion. I believe that to make such fundamental changes to the national health service—changes whose consequences are, at the very least, unpredictable—by means of 1,000 amendments, albeit some of them trivial, and to say to people in the national health service, "Your sovereign elected House of Commons has seriously considered all the changes that the Government are proposing and has exposed them to scrutiny", is to treat the people who work in the service, and their patients, with contempt.

Grahame M. Morris: May I take up my right hon. Friend's point about effective scrutiny and the assurances that Ministers have given the House? The knives prevented us from debating two of the Bill's most significant clauses in terms of costs and implications, clauses 29 and 30, which deal with the abolition of strategic health authorities and primary care trusts. The redundancy costs will amount to more than £1,000 million.

Frank Dobson: I entirely agree with my hon. Friend. I think that nowadays those who call themselves members of the Conservative party only purport to be Conservatives. The basic Conservative approach in this world is, broadly speaking, not to make great changes without being absolutely certain that substantial benefits will result from them. A proper Conservative recognises the problems that arise during the process of change, and the unpredictability of things in human life. What we have now, certainly in relation in health and possibly in other spheres, is a Government who are going ahead with something which—good God!—cannot be regarded as well thought out, given that they have tabled 1,000 amendments on Report.

Barbara Keeley: I winder whether my right hon. Friend heard the Leader of the House say to the Hansard Society that

"it has simply become too easy for the Government to sideline Parliament; to push Bills through without adequate scrutiny; and to see the House more as a rubber-stamp than a proper check on executive authority."

He also said that, in the Government's view,

"a strong Parliament leads to a better Government."

Does my right hon. Friend believe that the Bill, and the very shortened debate on its recommittal, constitute a good illustration of that?

Frank Dobson: In fairness, I think that given the accuracy of the present Government's aim, if they tried to rubber-stamp something they would probably miss.

Dan Byles: In view of the speech that the right hon. Gentleman is making and his definition of a "proper Conservative", I wonder whether he has just come out of the closet as a proper Conservative himself.

Frank Dobson: People have described me as old Labour, but I have moved on from that. I am now heritage Labour. Part of our heritage, however, is the national health service, and it is not the Tories' heritage either. Those who play with the national health service—which is what I think the Government are doing, purely for ideological reasons—do us a disservice in two ways. They threaten the likely performance of the national health service and the people working in it, and they threaten the relationship between the British people and the national health service.

Fiona O'Donnell: Will my right hon. Friend give way?

Frank Dobson: No, I will not.

I believe that the national health service is popular for two reasons: because, in most parts of the country and for most of the time, it does a good job for people; and because people value the thought that it not only looks after them but looks after their families, looks after their neighbours, and looks after all of us. I believe that, in many ways, that is its most important function.

We live at a time when everyone is filled with growing concern about the divisive elements in our society, and the national health service, along with the feeling that

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people have for it as a collaborative organisation, is one of the few exceptions to that. The health service does not just bind the wounds of people in this country, but helps to bind us together. That, I believe, is why it is so dangerous that the Government are going against its basic principles, thus risking not only its performance, but its relationship with us and its binding function in our increasingly divided society.

John Pugh (Southport) (LD): I wish to speak to my amendments 1219 and 1220, and against amendment 10. The House is right to be sceptical about the blessings of the internal market in health. It is right to be worried about price competition, which everyone thinks is a race to the bottom. It is right to be concerned about the reckless extension of "any willing provider", and it is correct in fearing that health services will be increasingly exposed to competition law, including EU competition law. It should fear the huge transactional costs that will be incurred in the hardening of the commissioner-provider split. It should fear the threat to integration, and it should fear cherry-picking, particularly in a narrow tariff system based on payment by results. It should also fear the blurring of the difference between public and private hospitals, and the financial incentives given to the private sector under the banner of choice.

That is why I dislike the greater part of what Tony Blair did to the NHS. Those who are now Opposition Members voted for all that, and that is where we are now: it is the default position. As one Opposition Member said, Labour has put all the bricks in place. A few moments ago we witnessed the strange anomaly of the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) complaining about a feature of foundation trusts—their ability to borrow on the private market—which I consider to be a direct consequence of Labour legislation.

The choice for the House is not between Aneurin Bevan's NHS and the Bill, but between Blair's NHS and Secretary of State's version. If I were to sum it up neatly, I would say that the Secretary of State's version most closely resembled Blairism with clearer and more equitable rules. First, there is an overt sector regulator instead of the powerful covert regulating body, the Co-operation and Competition Panel, which has been making all the decisions that Monitor will make in a more overt way. Secondly, there is the outlawing of subsidy to the private sector, which is perfectly possible: the Secretary of State is not minded to take such action at present, but current legislation does not prohibit him from doing so. Thirdly, as Members must acknowledge, the Bill makes a clear attempt to forfend cherry-picking and protect clinical networks by safeguarding integrated provision. It is possible to have an argument about how well that is done, but there is certainly an explicit intention to do it—as, to be fair, there was in some of the activities of the CCP, although in that instance the constraints were somewhat weaker.

Fourthly, since the pause a clear attempt has been made to ensure that Monitor merely regulates, without performing a strategic role in promoting much except the interests of patients. It functions as a regulator and adjudicator on what it is intended to do, rather than occupying an unaccountable strategic role in promoting competition. Clearly much will depend on the mandate that it continues to be given and on its personnel: that will vary over time, and we should be watchful in that regard.

I recently had the benefit—as I think other Members have, too—of the legal advice of 38 Degrees, which is in danger of rapidly becoming the provisional wing of the "Evan Harris organisation." I carefully read what Mr Roderick said, and I would like to share the details of his comments with the House. He says:

"contracting out services to the private sector is anything but a novel proposition in the NHS"

and

"the government has for some years rolled out the policy of Any Qualified Provider".

Presumably, that is a reference to the previous Government, not the current one.

Mr Roderick also says:

"the application of procurement law is not by any means new to the NHS".

Referring again to Labour party principles, he says:

"the current internal Principles and Rules for Cooperation and Competition"—

which were set up by Labour—

"seek to inject...promotion of choice and competition principles into the operation of the NHS".

On the thorny subject of the definition of "undertaking", which we debated ad nauseam in Committee, he has this to say:

"The NHS has already developed a structure whereby it is more likely than not that NHS Trusts are undertakings for the purposes of competition".

Mr Roderick is often cited by Labour Members as representing independent legal advice, but that is what he says. He concludes by saying that Labour's

"recent reforms...have done much to alter"

the basic

"landscape, even in the absence of legislative change."

As we have both commissioning and a mixed economy—people are not saying that we ought not to have such an economy—there is a chance that there will be challenges from disappointed providers, and we must try to understand how that would go. In terms of EU law it does not matter how many providers there are out there, as even one will do, and it does not even have to be in the UK. The law can be applied in such circumstances. If these issues are to be taken up by providers who are disappointed in one context or another, it is better for that to be handled by a sector regulator such as Monitor than by the Office of Fair Trading, which would be the default situation.

Diana Johnson (Kingston upon Hull North) (Lab): I have been listening carefully to the hon. Gentleman's contribution. He has been talking a lot about Labour party principles—but I wondered about Liberal Democrat principles, and whether he feels completely relaxed about the opening up of the NHS to privatisation.

John Pugh: Perhaps the hon. Lady has not understood the point that I was making. Her own Government were responsible for the opening up that she talks about and fears, and most Labour Members voted for it. I did not

vote for foundation trusts, nor did many of my party colleagues. Clearly Labour Members did, however, and we will return to that.

It is a fair point to say that if we have Monitor, that does not take us out of the whole legal web, as it cannot stop other legal processes, or a disappointed provider going further. However, it dramatically lessens the impact, and dramatically reduces the probability of that happening. We can only escape this legal web effectively if we take Mr Roderick's advice and re-examine each and every element and characteristic of the NHS structure—or, to put it simply, if we reverse Blairism.

6.15 pm

Sadly, I have come to the conclusion that anyone who claims certainty in respect of this area of EU law is probably a fool. There are two reasons for that. First, as Mr Roderick advises me, the definition of "undertaking" in EU law is changing. Secondly, he thinks that schedule B services, which are of some concern to people who are interested in this sort of thing, are under review by the European Community.

I was genuinely impressed by the hon. Member for Leicester West (Liz Kendall) when she summed up the Labour party's problem in this area in Committee. I circulated her words to my colleagues so that they could survey the argument as expressed in its strongest form. She said:

"I am not arguing, as Ministers have claimed the Opposition have, that the Bill extends the scope of competition law. My argument is that the Bill extends the applicability of competition law to the NHS. It is not just the clauses we are discussing today that will make that happen; so will other clauses, such as those that abolish the private patient cap on foundation trusts, and aspects of the Government's policy, particularly requiring commissioners to consider any qualified provider for all services"—

which is not in the legislation. She continued:

"All those things will guarantee that the NHS will be considered and treated as a full market, and that the providers of NHS services will for the first time be treated as undertakings for the purposes of competition law."—[*Official Report, Health and Social Care (Re-Committed) Public Bill Committee*, 12 July 2012; c. 400.]

We simply do not know how the EU will define "undertaking"—we do not have that level of certainty—and my view is that we do not currently know much about the applicability of EU law. I am not as pessimistic as Mr Roderick, the 38 Degrees adviser, about what we can do about the situation we are in, however. He claims that the Bill cannot limit the application of competition law:

"nothing in the Bill...can have the effect of preventing the application of competition law."

So this may all be going to happen regardless of whether we accept this Bill.

I accept that this is an extraordinarily difficult area that interests many health anoraks ad nauseam, but probably loses the general public. However, what makes it difficult is not the Bill per se, but all the changes in the NHS over previous years, on which those on the Treasury Benches and those on the Opposition Benches have usually been at one. However, my contention is that it is clearly better if Monitor takes on the role of carrying out whatever regulation or adjudication will be necessary.

I want briefly to turn to amendments 1219 and 1220 in my name. The motivation for moving them stemmed from the Committee stage, which I am happy to say was a thoroughly congenial occasion that all Members thoroughly enjoyed. Through that process we were convinced—as I have tried to convince Members today—of the benefits of a sector regulator: Monitor. However, we then reached clause 71, where we discovered the strange anomaly that mergers of foundation trusts go to the OFT, which has no experience and little inclination, might be disposed to treating hospitals purely as businesses, and which, if it gets involved, will make reconfiguration a lot more complex and difficult.

Given the appalling problems that we shall have in the acute sector over the next few months and years, I certainly would not want to see the OFT wading in and overruling decisions that are sensible rationalisations. In a sense this is slightly ludicrous. If one foundation trust is a public body and the other is also a public body, they are both essentially owned by "UK plc". Where, then, would we refer that decision? If Marks and Spencer owned those institutions, it would merge them and there would be no issue with which the OFT need detain itself. However, if we accept that such issues should go to a regulator, why this regulator? Why the OFT? Why not instead leave it, as most people supposed would happen, to Monitor?

A variety of answers were given in Committee. One was that such a merger would have to go to the OFT because there could be a combined turnover of more than £70 million. However, then it became apparent that it was not just that revenue or budget threshold that determined whether such matters went to the OFT, because non-foundation trusts, regardless of size, would not go to the OFT. I therefore still ponder where we can go with this.

I heard the Secretary of State say that the problem is that if, as my amendments propose, we take out the reference to foundation trust mergers going to the OFT—which would be a sane and sensible thing to do—we may still fall foul of other bits of legislation. We may also risk double jeopardy. I understand that that is a real problem, which we would want to avoid. The difficulty I have is that if, as the Secretary of State says, this is a very uncertain field legally, it is probably not wholly justifiable to put formally into the Bill the application of part 3 of the Enterprise Act 2002. It is probably better to get the legal situation a bit clearer, and I am fairly confident that that is the view that their lordships will take when they examine this Bill.

Grahame M. Morris: I am privileged to have the opportunity to speak in this debate on an issue close to my heart. A number of Opposition Members—and perhaps Members across the whole of the House—have taken advantage of the opportunity to spend a day with the NHS to see at first hand some of the issues and problems and to discuss with staff and patients their concerns. Many Members have received e-mails and letters from constituents and from various interest groups, and the issues we are considering this evening are very important.

As my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) said during his contribution, the NHS holds a very special place in people's affections. In many respects it is viewed not unlike a religion, in so far as it is loved and cherished. Members who have had the opportunity to travel to other countries and see different health systems will no

[Grahame M. Morris]

doubt be well aware of the high esteem in which our own health service is held throughout the world. It is a real exemplar—a model of a publicly funded, publicly provided health service. As an aside, I point out as a member of the Select Committee on Health that we have a very frugal Chairman, and the furthest we have travelled is to Hackney. My knowledge is therefore based on reading and on evidence submitted to the Committee.

Let us consider the problem we face with the Bill and the amendments and new clauses. I listened carefully to the Secretary of State's statement, and the real concern among patients, the public and the Opposition is, what are the motivations behind these reforms? I worked in the health service for a dozen years or more and have taken the trouble to look into the various options in some detail. Ministers have said that there are precedents for Bills of this complexity, but I would be staggered to find that there are. It is incredibly complicated and has been subject to numerous amendments. As members of the Bill Committee who are in the Chamber this evening know, many of the arguments originally made by Government Front Benchers were turned on their heads in Committee, and some of those that were rubbished by the Opposition were taken up and rehashed as part of the Future Forum.

Nicky Morgan (Loughborough) (Con): I am listening very carefully to the hon. Gentleman, as I did in Committee. Indeed, those of us who served on both Committees—the original and the re-committal—deserve a badge of honour. He talks about the Bill being complex. Does he not think that the process has been made more complex by the use of misinformation and emotive language, and by campaigners obscuring the Bill and needlessly causing patients to worry about their ability to access the health service once the Bill has been passed? The point is that free access at the point of need is not changing, and that is what most patients care most about. Does he not agree?

Grahame M. Morris: I am afraid I do not agree with the hon. Lady, as she might expect. The Secretary of State said that it was a question of communication, but I suspect that part of the problem with the Bill is that, far from there being additional clarity, the more that Members of Parliament, the medical profession, health care workers, members of the public and informed commentators have examined the proposals in detail, the greater the number of concerns that have arisen.

If the Secretary of State had been open and honest about the direction of travel and the motivation for these health reforms, perhaps we could have avoided some of the confusions that have arisen. There is no electoral mandate for a huge structural review and reorganisation. I suspect that there is something seriously wrong with the whole privatising agenda and philosophy, which the Secretary of State denies.

Rosie Cooper: Does my hon. Friend believe that misinformation and emotive language almost began and ended when the Prime Minister said that the NHS was safe in his hands? The misinformation began when he fooled the British public into thinking that the NHS was safe. This is the result.

Grahame M. Morris: I am grateful to my hon. Friend for raising that issue, which I will return to later. There were assurances that there would be no top-down reorganisations, but we should note the scale and complexity of this huge, top-down reorganisation. The Government alluded in Committee to the costs of administration, as did other members of the Committee. During Health questions and in Committee, I raised the question of the huge costs of administering Monitor, which have grown exponentially. We have had various estimates from the Government about the true cost, but over the lifetime of a Parliament it could be as much as £500 million, once we know the full extent of the legal challenges that Monitor will be expected to defend. That is a colossal sum.

I wanted to intervene when the Secretary of State referred to clause 60 of the original Bill and the intention to extend the duties of Monitor into the social care element of health and social care, but he would not allow me to do so. I wanted to ask whether any estimate has been made of the cost of such an extension of Monitor's remit, which I suspect will be considerable.

Pat Glass (North West Durham) (Lab): The Secretary of State mentioned 38 Degrees, which clearly has touched a raw nerve. Quite apart from the people from 38 Degrees who have contacted me, huge numbers of my constituents have contacted me to express real worries about this issue. Given the concerns of the Opposition, the press and, most importantly, the voting public, how does my hon. Friend think that we all got so out of step with the Prime Minister and the Secretary of State?

Grahame M. Morris: I am grateful to my hon. Friend for expressing that concern, which many people share—even among the Government, although perhaps they conceal it. Such concerns are not restricted just to 38 Degrees and Opposition politicians. Lord Tebbit of Chingford, an outspoken man who could hardly be described as a left-wing agitator, raised real concerns about what he described as these privatising reforms. He said that there is something seriously wrong, and that

> "What worries me about the reforms...is the difficulty of organising fair competition between the state-owned hospitals and those in the private sector. In my time I have seen many efforts to create competition between state-owned airlines, car factories and steel makers. They all came unstuck. The unfairnesses were not all one way and they spring from the fact that state-owned and financed businesses and private sector ones are different animals".

I have rarely found myself in agreement with Lord Tebbit, but on this occasion his analysis is extraordinarily insightful. His comments underline many of the basic contradictions in the Bill and in the subsequent amendments, which number more than 1,000.

Fiona O'Donnell: Apart, perhaps, from his warm comments about Lord Tebbit, my hon. Friend is, as ever, making a well-informed and considered contribution. We face a lack of information, inaccuracy and changing numbers. Does he therefore agree that what we also need, given the concerns raised by many hon. Members about the potential for an increased health inequality gap in this country, is an equality assessment of the Bill?

6.30 pm

Grahame M. Morris: I am grateful for my hon. Friend's contribution, as that is an excellent point. If hon. Members will bear with me, I shall discuss new clause 6 and what

I believe the implications of the Government's proposal would be for the Bill and for health inequalities. I was intrigued by the Secretary of State's assurances in his opening statement about the responsibilities being conferred on him in the Bill that did not apply when Labour was in power. I believe he said that those powers were devolved to primary care trusts, but if PCTs are disappearing or clustering and strategic health authorities are disappearing over time or being clustered, surely it is right that the Secretary of State, as an accountable politician, should have these powers clearly defined in the Bill. I did not mean to digress, Mr Deputy Speaker. Those remarks related to clause 1 and I shall confine myself to the provisions before us.

As I have said, many concerns have been raised about the approach being taken to this cherished institution, not least those set out by my right hon. Friend the Member for Holborn and St Pancras about patient perception.

Jim Shannon (Strangford) (DUP): Is the hon. Gentleman aware of the survey carried out among the 50,000 members of the Chartered Society of Physiotherapy? It indicated that 81% do not agree with the proposals for NHS reform—that touches on the issue that he just raised. It also indicated that 89%—almost nine out of 10 of those who work in the health service—believe that patient care will suffer and that 84% do not believe that the Government have considered these changes. Does he believe that the level of concern among those workers in the health service, and among the general public, means that whenever the vote takes place tonight hon. Members should be very careful and should oppose the Bill?

Grahame M. Morris: I am grateful for that information. I know that other hon. Members have spent a day with the health service and I am sure that Ministers take soundings, but I can honestly say that what the hon. Gentleman describes is the feedback I have received from talking to health professionals, patients and so on. I recognise that the Secretary of State has said on numerous occasions that a substantial body of GPs support this approach. When I tuned in to this morning's "BBC Breakfast" I saw Professor Chris Ham of the King's Fund being interviewed. He is an eminent and respected commentator on health service issues who has given evidence to the Public Bill Committee and the Health Committee. He gave his view that it was a small cohort of GPs who were signed up and committed to these reforms. I agree with his assessment.

These provisions deal with the role of Monitor, the relevant implications and changes to the failure regime. A "Panorama" documentary on the BBC featured Sir Gerry Robinson, who has some standing in the business community and for previous journalistic investigations into the NHS. The conclusion of his report was that he thought that these reforms could mean

"the end of the NHS."

That is his conclusion. Even after meeting the Secretary of State he remained unconvinced of the value of the reforms.

The Secretary of State has failed to persuade the public and he has failed to persuade NHS staff of his approach. That has been illustrated by various surveys, through the British Medical Association, by personal contacts and in other ways. Even elements of the business community recognise the level of public opposition and concern. It seems that the principal backers are overseas US-style private health groups, whose interest is not philanthropic. They see the prospect of substantial profits and unprecedented access to billions of pounds soon to be available from NHS coffers. We hear Ministers and Government Members saying that the NHS was open to private sector providers under the previous Administration, and a very small figure—5% or so—was cited in the Public Bill Committee proceedings.

Frank Dobson: My hon. Friend may like to know that even in the final year of the Labour Government just 2.1% of operations were carried out by the private sector.

Grahame M. Morris: I am grateful that that information has been put on the record.

Andrew Gwynne (Denton and Reddish) (Lab): My hon. Friend is right to talk about the potential role for overseas health companies. He might have seen the article in *The Guardian* yesterday stating:

"A German company has been in talks to take over NHS hospitals, the first tangible evidence that foreign multinationals will be able to run state-owned acute services".

That has become apparent only through freedom of information requests. Does my hon. Friend think that this is the slippery slope that this Bill is going to usher in?

Grahame M. Morris: That point was raised during the Secretary of State's earlier remarks. *[Interruption.]* Well, it came in response to a freedom of information request. I thought that his response was illuminating, as he assured us that that would not involve the transfer of NHS real estate, although he did not rule out the possibility that private sector providers would take over the running of these things. The report that I saw said that they would take responsibility for the management and staff, and he gave no rebuttal of that report.

Mr Simon Burns *rose—*

Grahame M. Morris: I will give the Minister an opportunity to do that, if he so wishes.

Mr Burns: There is an air of déjà vu to this debate now, although I am delighted to be taking part in a debate with the hon. Gentleman yet again. May I point out that the only example of what he is saying relates to Hinchingbrooke hospital? What happened there was started by the previous Labour Government—his Government.

Grahame M. Morris: I do not wish to labour the point, but the report in *The Guardian* said that freedom of information requests to the Department of Health indicated that discussions were taking place between officials in respect of the transfer of between 10 and 20 NHS units—*[Interruption.]* I am simply reporting what I have read in the paper.

Mr Burns: May I say to the hon. Gentleman that that report is unadulterated claptrap? The trouble is that it was a misunderstanding of the contents of the e-mails. *[Laughter.]* The right hon. Member for Holborn and

[Mr Simon Burns]

St Pancras (Frank Dobson) may think that that is funny, but the e-mails were not about these bodies taking over NHS hospitals; the e-mails were about discussing what their views are on hospitals that are struggling. The e-mails were part of an information-gathering mechanism to find out how policy in the NHS could be improved to deal, within the NHS, with hospitals that might be struggling as part of the foundation trust pipeline.

Grahame M. Morris: I do not find this at all funny. I would find it really worrying if this report is an indication of what is in store. It is rather ironic that the Secretary of State quoted from the Labour party manifesto. Perhaps it might be instructive if I were to quote from the Conservative party manifesto. It said that the Conservatives would

"defend the NHS from Labour's cuts and reorganisations".

If this Bill is not the biggest reorganisation that we have ever seen—*[Interruption.]* Well, it is, even though the Conservatives said that they would not proceed with any such huge reorganisation.

Mr Kevan Jones (North Durham) (Lab): Would not the Secretary of State be able to clear that up tonight by giving a categorical assurance that no hospital will be transferred to or run by a foreign entity?

Grahame M. Morris: I am happy to give way to the Minister, if he wishes to give that assurance from the Dispatch Box. It would reassure staff and members of the public. Perhaps we can read something into the Minister's reluctance to give such an assurance.

The Government, despite the spin, are delivering one of the most radical reorganisations ever and in the view of many Opposition Members it will undermine the basic principles of the NHS. When the Health Secretary was shadow spokesman for the then Opposition, at no point did he explain his plan to apply 1980s-style privatisation mechanisms to the NHS. I am an avid follower of health policy and the idea of creating an economic regulator—as we have discovered through a series of parliamentary questions, the costs of Monitor could be £500 million in a single Parliament—is again ironic when we hear the Government talk about waste and bureaucracy.

As for exposing the NHS to competition law, I accept the point made by the hon. Member for Southport (John Pugh), which was also made by my own Front Benchers, that it is not the provisions on the face of the Bill but the changes to the architecture of the NHS that will expose the NHS to European competition law—the same law, as we have heard, as applies to the utility companies. Health would be considered a commodity and £60 billion of the NHS budget would be handed over to private bodies, by which I mean those bodies that were the GP commissioning consortia, now renamed clinical commissioning groups. Despite the assurances about openness, transparency and accountability, those would be private-sector companies and my understanding is that they would not be open to FOI requests. That must be of huge concern to people who champion civil liberties, freedom and transparency. Over the past six years or so, we had no indication from the Secretary of State that he was planning such a radical change.

On the subject of the new failure regime, as set out in the amendments, having sat through the Public Bill Committee on the initial Bill as well as that on the re-committed Bill and having listened intently to the arguments, I cannot decide even now whether this is a U-turn or a side-step. I have read this huge document—the weighty tome that makes up the Bill, with all its various chapters and parts—as well as the impact study and the whole justification behind the Ministers' arguments was that the NHS needed a market and a failure regime to boost productivity. Has that whole idea been left by the wayside?

Dr Poulter: Does the hon. Gentleman accept, however, that the previous Government failed to put in place any adequate failure regime to deal with situations such as that which occurred at Stafford hospital and that the Bill is a step towards providing a proper overview of what to do when trusts fail and let down patients?

Grahame M. Morris: I am not suggesting in any way, shape or form that every NHS organisation—be it an NHS hospital trust or a community-based organisation—is incapable of improvement. My philosophy, as someone with a bit of a scientific background, has always been that we should assemble an evidence base, pilot a proposal in one area, establish best practice, see where the faults lie, tweak it if necessary and then, if it works, roll it out. This leap-in-the dark approach is flawed and will end in tears. The service is hugely important and touches everybody's life in this country at one time or another. The whole concept of the Bill is flawed and the way it has been prosecuted is compounding the problem.

6.45 pm

As for a number of the new clauses and the changes to the failure regime that we are dealing with, in the recommitted Public Bill Committee we tried on numerous occasions to tease out from those on the Government Front Bench precisely what they had in mind. I was shocked when I saw that there were 1,000 amendments. Admittedly, the Minister said that 715 are so-called technical amendments—

Mr Simon Burns: Changing the name.

Grahame M. Morris: Absolutely. At this late stage in the process, however, these are huge and significant changes.

Nicky Morgan: Just to help the hon. Gentleman, a number of the amendments relate to the continuity of services, which his party and those on his Front Bench asked to have considered by this House on Report rather than being left to the Lords. I am sure that the Ministers can help, but if that subject was not included, I suspect that the number of amendments would be significantly smaller. It is right that they should be considered in this House at this time—does he not agree?

Grahame M. Morris: That is a fair and reasonable point and I concede that.

Diana Johnson: Does my hon. Friend agree that if this Bill had been properly drafted in the first place and there had been proper pre-legislative scrutiny, we would not have to have this cartload of amendments brought in at the last moment?

Grahame M. Morris: Again, that is a really good point. An incredible number of complex and detailed changes have taken place during the passage of the Bill, including the listening exercise and the consideration of a series of complex amendments, and even they did not address every issue that had been raised. Essentially, I am trying to say in a clumsy kind of way that the Bill is poorly thought out. I think it is a bad Bill, and if it is implemented it will cause real problems for the service and the people who use it.

Nic Dakin (Scunthorpe) (Lab): I do not think my hon. Friend is making a clumsy speech at all; he is making a lot of very good points. His point about the Bill being badly drafted and set out is why I have been inundated over the past few days with messages from a range of professionals and service users who are very concerned about where things are going. I applaud my hon. Friend's approach.

Grahame M. Morris: I am grateful to my hon. Friend for his point and for his kind words. My contention is that the problem with all these reforms is that they tend to unravel once there is an opportunity for not just Members of Parliament but health care professionals and the broader public properly to scrutinise them. Once people have the chance to consider the proposals in detail, there is an outcry such as that described by my hon. Friend.

I have tried to understand the thinking behind the Government's changes and amendments. As I mentioned earlier, many of the changes fly in the face of the logic of the arguments originally made in Committee and when the Bill was first published. The obvious logical conundrum, if that is the term, can be seen in the fact that the original impact assessments, which were very comprehensive, said that it was essential to create a functioning market to gain the benefit of the reforms. A whole section of the impact study explained why "market exit" was fundamental to reforming the NHS. I heard what the Minister said earlier and I have read the Government's amendments, but I am not quite convinced—perhaps I am a bit of a cynic—that this is a real concession. If we follow the Government's logic, that makes the Bill as a package at best inconsistent and at worst it removes the possible benefits that Government Members may wish to promote in terms of the costs of any market system. Instead, we are subject to a strange system. The Secretary of State initially mentioned creating a level playing field to allow access for private health care firms as well as existing NHS and public providers. There are therefore some basic contradictions in the rationale behind some of the reforms, if there was any merit in the arguments initially.

Tom Blenkinsop: Is my hon. Friend concerned, as I am, that 2% of PCT budgets—approximately £2 billion—is being used for this reorganisation? There is a direct effect on my community and the Redcar and Cleveland PCT, where almost £4 million has been taken from health inequality budgets, which could have been used on the front line.

Grahame M. Morris: I am making rather slow progress, but I did want to get on to health inequalities. My hon. Friend makes an excellent and important point. We touched on it briefly in the Bill Committee and it relates to new clause 6. I was concerned about the reports that in the allocations to PCTs and SHAs, the element set aside for addressing health inequalities had been reduced. That should concern us all, especially those who represent areas that suffer high levels of health inequality and deprivation.

It is a bit of an achievement that the Government could take the NHS at its most successful point and turn it around. Government Members have highlighted particular failings, but the NHS had a record number of doctors and nurses and a hospital building programme. There had been a transformation from waiting times of 18 months for routine operations such as knee and hip replacements or removal of cataracts to only a few weeks. The previous Government should be given some credit for that. The improvement was confirmed in patient satisfaction surveys and it is a great shame that the Government have decided not to commission the Department of Health to conduct such studies in the future. I suspect their motives in that regard.

Dr Poulter: Will the hon. Gentleman give way?

Grahame M. Morris: I give way to my hon. Friend from the Committee.

Dr Poulter: That is a good point. Under the previous Government cataract and hip operations were done more quickly, but that was because the Labour Government commissioned private providers. The unfortunate thing was that the providers cherry-picked services and did not provide the integrated health care that this Bill will provide.

Grahame M. Morris: We had this exchange many times in the Committee on a variety of clauses. We need to give some credit to the previous Government. I am old enough to remember when people routinely waited a year, 18 months or longer for life-changing operations such as knee and hip replacements. It is a real quality-of-life issue if someone has cataracts and has to wait a long time for an operation. I accept that Labour used the private sector. I am a socialist and make no apology for that, and I want the provision to be public sector. I was not a Member of Parliament and did not vote for the commissioning of private providers, but I acknowledge that the private sector played a role in bringing extra capacity and some innovation to the service.

Barbara Keeley: My hon. Friend is making a wonderful speech. I wanted to make this point when my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) was speaking about the number of operations and the improvements during Labour's term of office.

In the 1997 general election when I was campaigning in Wythenshawe and Sale, East constituency, I met someone who had been told that he had to wait two years for vital surgery and was desperately worried that he would die while he was waiting. I met someone in my constituency in last year's general election campaign who received a diagnostic test on Monday, found he had cancer on Tuesday, went into hospital on Wednesday and was operated on on Thursday and his life was saved. From two years to four days—I thought that was the best testament to the improvement that Labour had brought about in the NHS.

Grahame M. Morris: I am grateful for that example. It illustrates the importance of that improvement, the value that people place on it and how critical it is to people's health and well-being.

I know that we shall come later to the clauses that lift the cap on private patient work, which the Minister mentioned in his opening remarks. If the cap on private patient work in NHS foundation trusts is lifted and those trusts are under financial pressure—those of us who are in touch with our hospital trusts know that they are under financial pressure, with the reductions in the tariff and other issues—the level of private sector involvement in NHS trusts will increase.

Rosie Cooper: The hon. Member for Central Suffolk and North Ipswich (Dr Poulter), who is also a member of the Select Committee, pointed out that Labour reduced waiting lists and private providers were involved. Does my hon. Friend agree that the general public now face longer waiting lists and more private providers?

Grahame M. Morris: This is the danger. Labour Members have attempted to highlight it, and people are increasingly aware of it.

Frank Dobson: Does my hon. Friend accept that if we want to look at how best to increase the number of people who are treated, the best thing to do is go to the people who do the treatment? When I was Health Secretary, the NHS was doing 160,000 cataract operations a year. Following discussions with the experts, some changes were made—no structural changes—and in the last year for which figures are available the NHS did 346,000 cataract operations a year. The private sector's contribution averaged 6,000 a year.

Grahame M. Morris: I am grateful to my right hon. Friend for putting those important statistics on the record. Government Members often raised these issues in the Bill Committee so it is helpful to have that clarified with such precision.

I want to deal in more detail with health inequalities, if that is in order, Mr Deputy Speaker. While serving on the Bill Committee and as a member of the Health Select Committee, I have always tried to champion the cause of reducing health inequalities. In the Bill Committee, Opposition Members pushed for greater duties to reduce health inequalities to be placed on the new bodies being created by the Bill.

I am conscious that there has been some movement in this direction. New clause 6 is relevant to the special administration of services and makes references to health inequalities. I would be grateful if the Minister gave some clarification in respect of the point that I wish to make. I am delighted that the Government have recognised that a market system in health care will only worsen health inequalities. My rationale in making that statement is that at least new clause 6 says that services must be kept open where closure would adversely impact on or increase health inequalities. Opposition Members are not convinced that the safeguards are strong enough, that the safeguards could not be overturned or that inherent health inequalities that areas such as mine suffer from so terribly, largely reflecting socio-economic patterns in society, would not be exacerbated.

Jeremy Lefroy (Stafford) (Con): I have been listening carefully to the hon. Gentleman. Will he accept and welcome the fact that clause 3 imposes on the Secretary of State a duty to reduce inequalities? Is that duty not a welcome innovation in legislation that he expects the Secretary of State to apply with rigour?

7 pm

Grahame M. Morris: That is a good point. Like the curate's egg, the Bill is good in parts—and bad in parts. I am prepared to acknowledge the commitment on health inequalities but, as I have mentioned, there are contradictions in the Bill, and that is what I seek to highlight. My concern is that the new structures proposed in the Bill move us away from a co-ordinated health service and towards a competition-based health service. Failure has been touted by Ministers as a driver of improvement, but following the latest U-turn, that commitment seems to have been dropped. I would welcome Ministers' views on that.

Our concern is that the health service will be left to the worst elements of privatisation, without the supposed benefits of market competition. Members have referred to the British Medical Association and its calls for a co-operative and co-ordinated environment, which an open market would make impossible. When Dr Clare Gerada, the chair of the Royal College of General Practitioners, gave evidence to the Bill Committee, she raised a number of concerns about the clauses that we are discussing—concerns

"about the duplication of care and fragmentation...the under-provision of care once competition starts kicking in, the pace and extent of change, and the capability capacity and competence of GPs"

to deal with the extent of health needs. Most importantly, she said that

"the Bill risks widening health inequalities and could lead to worse patient care".—[*Official Report, Health and Social Care Public Bill Committee,* 8 February 2011; c. 43, Q94.]

Julian Sturdy (York Outer) (Con): The hon. Gentleman talks about health inequalities, but does he accept that under the current system primary care trusts have brought about a number of health inequalities? Certainly in my area of north Yorkshire, the PCT has brought about a number of health inequalities, and I think that that is the case in other areas, too. The system is already delivering that; that is why we need the change.

Grahame M. Morris: The picture is incredibly variable. We should consider many of the policies that the Government are pursuing, not least that on public health observatories, which collect the evidence on which many public health interventions are based. The sustained cuts to their budgets—there is a cut of 30% this year, and 30% next year—are exacerbating the situation. Some PCTs are performing well in this regard, and some are not performing as well. If there are measures that can strengthen our performance, they ought to be welcomed.

We have in the past mentioned some of the public health issues. As far back as 1977, the Department of Health and Social Security's chief scientific adviser, Sir Douglas Black, commissioned a report on the extent of health inequalities in the UK. The Black report, published in 1980, brought about a sea change in how Governments

would respond to health inequalities and reduce their worst effects, particularly for the lower social classes. It is generally acknowledged in more recent reports by Professor Sir Michael Marmot that the NHS can only do so much to address the situation. There are general issues that must be addressed through a whole plethora of Government policies—child benefit, improvements in maternity allowances, more pre-school education, an expansion of child care, and better housing. I mention that in relation to the amendments that we are discussing to highlight the stark danger of a reversal in relation to health inequalities, which are not only influenced by decisions of the Health Secretary, but greatly influenced by decisions taken across Government.

I shall draw my remarks to a conclusion. I am sure that Government Members will be relieved to hear that. *[Interruption.]* Well, I could go on for longer if they want; I have another six pages. I draw the House's attention to the real concerns that the general public, the medical profession, staff who work in the service and patients have about particular details—about the new and expanded role of Monitor, and about the implications for the new NHS. It will not necessarily be Monitor that decides the future of failing services; in the end, that will be decided in the courts. Finally, in parts 3 and 4, we are dealing with some of the most contentious issues in the Bill, and I urge Members to consider the issues very carefully and to think about what is at stake, before deciding how to vote on the amendments.

Mark Simmonds: I draw the House's attention to the Register of Members' Financial Interests.

I congratulate the hon. Member for Easington (Grahame M. Morris) on a thoughtful, balanced and considered contribution, albeit somewhat lengthy. Some of the key points that he made are worthy of comment. He is absolutely right to highlight the importance of the issue of health inequalities, and it is absolutely right to make sure that the House understands that the Secretary of State and his Ministers are absolutely determined to narrow those inequalities; that is why the Secretary of State has ensured that that is in the Bill.

The hon. Member for Easington is also right to point out that health inequalities are determined not just by health policy. A whole range of factors influence health inequalities, and the best synthesis and summary that I have seen—if he has not read it, he should—is in a report by Professor Marmot.

Grahame M. Morris *indicated assent.*

Mark Simmonds: The hon. Gentleman has read it, which is very good; I see him nodding his head. He also asked a key question about the Government's motivation for bringing forward the Bill.

Grahame M. Morris *rose—*

Mark Simmonds: I shall finish this point, and then I will happily give way to the hon. Gentleman, because he was extremely generous in giving way. Let me summarise the Government's motivation in five areas. The first is to improve patient care; the second is to drive up the quality of services; the third is to improve patient outcomes; the fourth is to ensure better value for taxpayers' money; and the fifth, and perhaps most important, is to ensure that our much-loved national health service has a successful future as a service that is free at the point of need, and a service that is based on requirement, not ability to pay. There should be continued equity of access and, even more importantly, excellence for all.

With the honourable exception of the hon. Gentleman's contribution, all the contributions from Labour Members, including those on the Front Bench, have completely misrepresented the Bill. There is a degree of complacency creeping into the Labour party. The view that it puts forward—that there is nothing wrong with the national health service, and that it is a perfect, utopian service—is clearly not correct. Its view that no reform or innovation is required is not correct. Its view that no productivity improvements can be made is clearly not correct. The view that there is no problem with patient outcomes across a whole range of clinical indicators compared with the outcomes in our developed-world comparators is clearly not correct. The Labour party's view that there is no need to reduce the cost of administration and get more resources to front-line patient care is clearly not correct; nor is it correct that there is no need for greater clinical involvement in commissioning and for greater patient choice. The Labour party's position is purely political. It is not clinical and it does not have the best interests of patients at heart. I urge the Secretary of State and his ministerial team to reject the amendments tabled by Labour.

Valerie Vaz (Walsall South) (Lab): Does the hon. Gentleman recall these words—"NHS" and "no top-down reorganisation", said by one David Cameron, leader of the Conservative party?

Mark Simmonds: I do remember that. The changes outlined in both the original Bill and the amendments that have been tabled as a result of the considered and very professional work of Professor Field and his team demonstrate the desire of the coalition Government to make sure that the national health service survives for future generations as a taxpayer-funded service free at the point of need. All the changes set out in the Bill are determined by that.

The hon. Member for Leicester West (Liz Kendall), who spoke for Labour in the programme motion debate, should be wary of praying in aid the BMA. Not only did it object back in the 1940s to the setting up of the national health service, but just prior to the last election, it said that the Labour party was the enemy of the national health service. We need to engage with all the clinical groups within the national health service to ensure that we deliver the best possible patient outcomes for the amount of resources that we can put in.

I am slightly surprised at the repetitive nature of the debate. I have been told by my hon. Friends who sat on the Bill Committee that many of the points that were made in Committee have been made again today. The Government amendments that we are discussing are a direct result of the forum chaired by Professor Steve Field. I thought it unedifying of the right hon. Member for Holborn and St Pancras (Frank Dobson) to try to undermine Professor Field, who does excellent work in a very socio-economically deprived part of Birmingham. If the right hon. Gentleman has not visited Professor Field and seen the excellent work that he does, I suggest he does so.

Several hon. Members *rose—*

Mark Simmonds: I give way first to the hon. Member for Worsley and Eccles South (Barbara Keeley).

Barbara Keeley: The speech of my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) is one of the best I have heard in the Chamber, as I think Opposition Members would agree. People outside the Chamber are saying that too.

On repetitiveness in the points that are being made, Report stage allows Members who did not serve on the Committee to say the things that they want to say. It is our chance right across the House to comment on the Bill, so that is not a valid criticism of what is going on in the debate.

Mark Simmonds: I hope the hon. Member for Easington has a better intervention to make.

Grahame M. Morris: Can we agree on one thing—that opinions should be evidence-based? I was amazed that when Professor Steve Field was asked whether the Future Forum had taken independent legal advice on the contentious issue of whether European competition law would apply as a result of the reforms—the matter was raised in the Bill Committee or the Select Committee—he said no, he had not taken independent legal advice. That was a major omission.

7.15 pm

Mark Simmonds: I will not get into the nuances and the legal battles that other hon. Members have raised. Professor Steve Field and his team did an excellent job thoroughly and comprehensively in a relatively short time. To be fair to the Secretary of State and his team, they looked carefully at the suggested changes and have incorporated some of them in the clauses before us. I agree with many of them, and I highlighted some of these points on Second Reading—a greater emphasis on integration, wider engagement with a broader range of clinical commissioning teams, and greater protection for services which, in financial or quality terms, may not be providing the service that patients expect. All those have been changed in the Bill.

Almost all the Members on the Government Benches would not support the Bill if it was about privatisation of the national health service. It is not. It tries to ensure that the national health service has a future, and that the organisation that is in the best position to provide a particular service in a particular geographical locality has the ability to do so. That is not just the private sector; it is the voluntary sector, the charitable sector, the not-for-profit sector and the social enterprise sector. The mantra coming from the Opposition seems to dictate that those organisations should not be allowed to provide health care—that unless health care is provided by the state, it should not be allowed. That clearly is wrong. What is important is not the delivery mechanism, but patient outcomes and the quality of service provided.

I shall deal specifically with new clause 2 and amendments 100 to 104, 106 and the subsequent related amendments. They ensure that equity of access continues, irrespective of whether the provider is in a good financial state or not. My right hon. Friend the Member for Charnwood (Mr Dorrell) put his finger on exactly the right point, as he so often does. What matters is continuity of service, but not necessarily from the same provider.

The national health service has always changed in that way. It has always reconfigured services to make sure that the patient receives care of the best possible quality. New clause 2 puts in place an essential mechanism to ensure continued access for patients to NHS services. It is right that the Government are putting in place safeguards to protect patients and taxpayers, but the clause does more than that. It also enables commissioners to replace services with higher quality and better value options. Among the major failures of the last decade in which Labour was in charge of the national health service was not only the decline in productivity, but the fact that there was insufficient decommissioning of poor services and insufficient replacement and improvement of poor-quality service provision. Nowhere is that more marked than in Tunbridge Wells and Stafford.

The primary purpose is to enable Monitor to support commissioners to access services and place conditions on a licence holder. Some of those conditions are set out in the Bill. All hon. Members know that there is considerable variation in performance of organisations within the national health service. Providers who are providing excellent services should be allowed to thrive, innovate and drive the quality of clinical care. Those that are under-performing will require challenging, and support where necessary. Ultimately, if they cannot respond to that support and that challenge, they should be replaced by an alternative provider. That should apply both to the independent sector and to state sector provision. It is not acceptable that, purely because a service is provided by the state, it should be allowed to continue as a substandard service.

Some of the key changes in the new clauses and amendments allow that to happen. They make sure that funding is much more transparent. The existing framework has allowed hidden bail-outs to take place, which all too often have hidden poor management, poor service provision, and the need for clinically appropriate and evidence-driven reorganisation. All too often that has not happened, to the detriment of patient care.

I was pleased to see that the Secretary of State had allowed a safety valve in this part of the Bill, which would enable tariffs to be topped up, particularly for the provision of services in rural areas, such as my constituency in Lincolnshire. This must not be seen as an opportunity for the Department of Health to support and subsidise inefficient management and service provision. All too often there are inefficient cost bases and money could be transferred instead to front-line patient care.

I would be grateful if the Minister, when winding up, confirmed some specific points relating to new clause 2 and the subsequent amendments. Will he confirm that the new system will ensure that innovation is not inhibited—that providers and clinicians will have to configure services not only to satisfy patients, but to improve the quality and productivity of services, which, as we all know, have been very poor in the past decade or so? Will he confirm that the structure set out in the new clauses will enable Monitor to intervene early to ensure that the service provided is safe and provides good-quality, patient-centric services?

Will the Minister also confirm that the proposals build on the system set out in the Health Act 2009, which is in line with the Secretary of State's consistent assertion that the Bill is about evolution, not revolution? Ministers must not allow the importance of integrated services, vital though they are, to be an excuse to maintain poor-quality providers. In the interests of patients, underperforming incumbents must be challenged and continued innovation must be facilitated and incentivised.

If the Minister has time when winding up, I would like him to address the point that I made to my right hon. Friend the Member for Charnwood, which is that the new clauses seem to ensure that Monitor will maintain minimum-based standards, particularly as they relate to acute foundation hospital trusts. We need commissioners, the Care Quality Commission and Monitor to work together to ensure that there is continuing improvement in patient care and continuing determination and drive to make sure that services are better the next year than they were the previous year. It is unclear from the amendments who will be responsible for co-ordinating that effort to drive up standards continually.

I have two final questions. What will happen if Monitor has to step in to provide advice, shore up a service or provide an alternative service provider, but the commissioners cannot agree on who should be the subsequent service provider? Who will resolve disputes between two commissioning consortia? Will it be the NHS commissioning board, Monitor or the Department of Health? Where a provider delivers a service to more than one commissioner, and one of the commissioning groups has access to an alternative provider already in existence but not another, who decides who will provide the service that has failed?

I will draw my remarks to a close. I am, as I believe are most Government Members, an avid supporter of the national health service. I defer to no other group more than I do to those who work tirelessly in the NHS to provide the excellent care that, more often than not, is delivered, and not only in the state service but across the range of NHS providers. However, if we are to continue the NHS, free at the point of delivery and based on need, not ability to pay, it must reform and change. We cannot allow it to stand still. I believe that these clauses and amendments provide an essential framework to ensure continuity of access to service, value for money for taxpayers and better quality patient care.

Rosie Cooper: Members of the public listening to Government Members this afternoon might wonder whether we were having this debate in a parallel universe, because they have heard the Prime Minister promise that there would be no top-down reorganisation of the NHS, and what did we get? We got the biggest reorganisation in the history of the NHS. The Prime Minister said only recently that everyone was on board and behind the Bill, and yet we find that clinicians, professionals and the public are far from being on board. The Government talk about the protection of services, but the public will have read only yesterday that the Government are meeting McKinsey about the possible transfer, albeit a slow transfer, of up to 20 hospitals.

Mr Simon Burns *indicated dissent.*

Rosie Cooper: The Minister keeps saying no, but the reality is that, as I told the Secretary of State, you may very well be fooling yourselves, but you are not fooling the public, and the Bill was wrong. That was followed by a pause, and when you admitted that you had got various bits of it wrong, you then said—

Mr Deputy Speaker (Mr Nigel Evans): Order. The hon. Lady must desist from using the word "you", as it refers to the Chair.

Rosie Cooper: I apologise, Mr Deputy Speaker. Each time I said "you", I meant the Secretary of State.

The Secretary of State simply threw the Bill at the British public after the Prime Minister had promised that this would not happen. I have been very clear in the speeches I have made so far on the Bill that the only people the Secretary of State is fooling are those in the Tory party. He has made changes to the Bill, but we are now beginning the great mix-up and going back to exactly where we were.

The hon. Member for Boston and Skegness (Mark Simmonds) said that Labour did not want progress and good value, and that the coalition programme was all about ensuring that the NHS survived and getting a good return for the taxpayer. Let me tell him that I am absolutely passionate about the NHS. I expect value for money, cutting-edge treatment, efficiency and the best possible care for everyone in this country. The lives of every taxpayer and every family depend on the care they get from the NHS. Second rate will not do for me at all.

However, I do not believe that throwing a grenade into the NHS systems will achieve that. Even breaking big promises will not achieve that, because that will break the trust. I suggest to the Conservative party that the Great British public gave tentative support during the general election and will now withdraw that support rapidly as the Bill progresses. The Conservatives expect the public to believe that the party that promised no top-down reorganisation and then broke that promise can be trusted when it says that there will be no privatisation of the NHS, yet evidence comes to light via freedom of information requests that that is not the case.

What are patients out there actually experiencing? Again, Conservative Members can fool themselves. When they went to accident and emergency units they saw that the four-hour waiting time was being exceeded, so they abolished it. It is already taking longer to treat fewer people, which does not strike me as particularly efficient or good value for money. It took 13 years of a Labour Government to rebuild the NHS after what the previous Conservative Government did to it. Labour reduced waiting lists from two years to 18 weeks. It has taken the coalition Government less than a year to wreck it all again. Broken promises are leading us to an NHS that is broken again.

Let us look at what is currently happening in the NHS. There are two different processes at work: financial efficiency gains and structural reform. The idea was to ask the system to make efficiency gains of 4% each year for four years. On top of that there is the reorganisation, which a Conservative Member has likened to tossing a grenade into the system. We have had muddle, pause, fog and are now effectively back to where we were some time ago.

[Rosie Cooper]

The reforms do not address the financial challenges, especially the Nicholson challenge. This is costly—making people redundant, throwing organisations into disarray and telling people, "You don't have a future, you might have a future," "Let's have a cluster, let's not have a cluster," "Where are you going to work?", "It's all going to disappear by 2013," "There are no PCTs—well, they're there really, but clusters will do the work," "No, we don't have strategic health authorities—well, okay, we'll keep four of them." The Marx brothers would be proud of the stops, turns, U-turns, pauses and muddle that there have been. But the bottom line is that the great British public have to watch those antics and are worried about their health service.

7.30 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): Does my hon. Friend have any idea of how much the reorganisation is going to cost? The hon. Member for Boston and Skegness (Mark Simmonds) made a very reasonable speech, but I noticed that he was confessing at the end that he did not know how some of the central parts would work, and he posed those questions. Does my hon. Friend have any idea of how it is all going to work at this stage, and what it will cost? If not, does she think it conceivable that enough members of the public can know, and have any confidence in the changes?

Rosie Cooper: I can categorically say that we have asked the questions over and again and we do not get any answers.

Mr Burns: The impact assessment.

Rosie Cooper: How much? I will give way if the Minister tells me exactly how much it is all going to cost. I shall happily sit down; there you go. *[Interruption.]*

Mr Deputy Speaker (Mr Nigel Evans): Order. This is not a conversation but a debate. I do not think that the Minister indicated that he wished to intervene.

Rosie Cooper: Thank you, Mr Deputy Speaker. You will forgive me; my lip reading was obviously slightly wrong. He looked as if he was trying to tell me something, and I hoped that it might be the answer.

In all such situations I always say, "Follow the money." What is actually going to happen? If this is costing a lot of money—there is a lot of muddle—it has to be really clear that the driver of the reforms cannot be, as the Secretary of State has previously said, the idea that the NHS is unaffordable; we seem to be able to afford a lot of other things. If the reason is not financial efficiency, it has to be purely ideological.

I understand that 85% of respondents to the NHS Confederation survey were very clear: the hardest job that they could have is to deliver both NHS changes and savings simultaneously. That makes it harder for them to deliver objectives for improving efficiency and quality—but that is what I am told that Government Members are all about; the Bill is supposed to improve efficiency and quality.

Who is going to deliver the health care? The Royal College of Nursing suggests that 27,000 front-line jobs, equivalent to nine Alder Hey children's hospitals, will disappear. I asked the NHS Confederation whether we would see hospital closures, and it is clear that we will; we are seeing that in various reports. The Bill is three times longer than the Act that created the NHS, and it leaves more questions than answers. I say to the Government that if they believe that the great British public will be fooled by any of this, they are sadly wrong.

I do not normally make personal statements about anybody, but Roy Lilley, a former NHS professional, writes a blog in which he refers to the Secretary of State as "LaLa"; I am sure the Secretary of State has seen it. I have been hearing "La la" all afternoon. This is just nonsense. Just because the Secretary of State or the Tory party says that the world is square, that does not mean that it is. They are insulting the public if they think that they will go along with them.

Monitor makes decisions about the future sustainability of individual services and the patterns of local health services under the failure regime. It is unclear how those decisions would be made, and how and to whom Monitor is accountable. Technically it is an independent body and it should be responsible to Parliament and the Secretary of State, but perhaps the Secretary of State will clarify that.

As the economic regulator, Monitor is given a whole series of powers that ultimately focus on enforcing competition in the NHS. There are still fundamental gaps in how that organisation will be held to account. There is a lack of clarity about how health services can engage with and influence the work of Monitor. Having been chair of a foundation trust hospital, albeit only for a month—because I stood for Parliament and had to resign—I can say that Monitor was a law unto itself. And before the Health Committee, Monitor likened the NHS to utility companies, which does not give me any confidence whatever.

I want to talk about Monitor not consulting commissioners on changes to enhance tariff. Private providers can apply to Monitor for an enhanced tariff to preserve the services that they, as private businesses, are providing to the NHS.

Tom Blenkinsop: One essential point that we have to raise about Monitor is that it is a replica of an economic regulator of the utilities. The four to six companies in the energy sector have just raised gas prices by 18% and electricity by 11%. How does my hon. Friend think Monitor will be able to cope with private companies and health?

Rosie Cooper: I would suggest that it is a failing model, and not one that we should be looking at.

I should like to look at the idea of risk pooling, in which Monitor will have a role. Monitor will be required to top-slice the budgets of foundation trust hospitals to obtain that pool of money. The problem is that if the trust is already in financial difficulty, the fact that Monitor needs to top-slice the FT hospital's budget could tip it into being unsustainable, and then Monitor would have to act. Does that not seem back to front? It needs looking at. If the foundation trust is unsustainable, Monitor has a duty to take action, yet Monitor may well have precipitated the situation; there seems to be a

conflict at the core of that relationship. There is no clarity about how top-slicing will be calculated, or what it will involve. Will the Secretary of State please comment on that?

I shall bring my comments to a close with a quotation that I used in a speech I gave a while ago. In "This Week", Michael Portillo was asked by Andrew Neil why the Government had not told us before the general election about their plans for the NHS. He replied:

"Because they didn't believe they could win the election if they told you"—

the public—

"what they were going to do. People are so wedded to the NHS. It's the nearest thing we have to a national religion—a sacred cow."

He could not have been more clear. The Government intended to misrepresent their position and mislead voters. I believe that this is the latest stage of that misrepresentation, and the Government must be held to account if they force the Bill through in its current form.

Dr Poulter: I was hoping to begin on a more consensual note, picking up on a few things that have been said around the Chamber on which I thought we could all agree. However, I will first remind the hon. Member for West Lancashire (Rosie Cooper) of why the Government are introducing this Bill. We do have problems in the NHS. Far too much money—about £5 billion a year—is wasted on bureaucracy and could be much better spent on front-line patient care. Over the past 10 years, the number of managers in the NHS has doubled, going up six times as fast as the number of front-line nurses; the hon. Lady is very concerned about that. A lot of things need to change in the NHS so that the service can become more patient-focused and patient-centred. That is why we are making these changes and why the reforms in this Bill have to go through the House.

Particularly important—this has come out of the pause for reflection and the Future Forum report—has been an increased focus on one of the key challenges for the health service and for adult social care: better care of our growing older population. People are living a lot longer and living longer with multiple medical conditions, or co-morbidities as they would be termed in medical parlance. That is a very big human challenge for the NHS, and also a very big financial challenge. We must have a service that better meets and better responds to those challenges. The pause for reflection has led to much more focus on improved integration of care, and that will be very much to the benefit of the older patients and frail elderly whom we all care about.

We have had a lot of discussion about the benefits, or otherwise, of using the private sector. The case for the private sector may have been made much more eloquently by Labour Members than by members of the Government. The hon. Member for Easington (Grahame M. Morris) argued that because the previous Government used the private sector to reduce waiting times, it was effectively used to improve patient care for patients with cataracts and for those needing hip operations or waiting for heart operations. That, in itself, was a good thing, but the problem was that the previous Government used the private sector far too much in a way that allowed it to make profits but not to look towards the integrated care that Government Members would like to see as a result of these health care reforms. As regards looking after the frail elderly, for example, there was cherry-picking of hip operations as part of orthopaedics but without the follow-up care that was required—the physiotherapy, occupational therapy and social services that those older people so badly needed. Yes, the private sector can bring value and benefits to the NHS, as the previous Government recognised, but it has to be done in an integrated way, and that is what we will do as a result of these health care reforms.

Why else do we need to reform the NHS? Are we really happy with the status quo?

Steve McCabe: Before the hon. Gentleman moves on, I want to make sure that I have understood him. Is he saying that under these plans the private sector is to be given a bigger share—a more total share—of areas of care and that it will not be isolated as a bit of expanded capacity to reduce waiting lists? Is he saying that it will have a broader role involving a total package of care for particular sectors? Is that the aim?

Dr Poulter: The aim is consistent with that of the previous Government in bringing in the private sector—to improve patient care. Where the private sector can deliver high-quality patient care—for example, by reducing waiting times—that is a good thing. The private sector can deliver high-quality care but in an integrated way. That is particularly important in the elderly care setting and in rural communities. That is absolutely consistent with what the hon. Gentleman's Government did and what this Government are trying to build on and develop as a part of this package of reforms.

Are we really happy with the status quo—with the NHS as it stands? I have alluded to some of the waste and bureaucracy and the £5 billion that could be better spent on front-line patient care, but that would be a simplistic view of why we need to improve the NHS. We have heard the names of various bodies being bandied around today. However, on-the-ground surveys of front-line doctors and nurses show, as in a survey conducted in 2009, that in the current NHS the majority of health care staff in hospitals do not believe that looking after patients is the main priority of their NHS trust. What could be more important to a hospital than looking after its patients? The reason for that finding is that the bureaucracy in the processes of health care has often got in the way of delivering good care. Recently, a number of CQC reports throughout my part of the world—the east of England—have indicated failings, particularly in elderly care. The main focus of those reports was that staff were too bogged down with bureaucracy and paperwork and unable to look specifically at the needs of the patients right in front of them.

7.45 pm

Barbara Keeley: I think that a few Labour Members are quite surprised by what the hon. Gentleman has said, and the *Hansard* writers might ask him where it came from. He cannot get away with making a statement like that and not saying where it came from—he should be quoting it. He is saying that the majority of people working in the NHS surveyed in 2009 did not put patient care at the top of the list, and he should quote where that information comes from.

Dr Poulter: The point is—I speak as a front-line doctor who still practises in the NHS—that far too often we see form-filling that gets in the way of our doing our job as doctors in hospitals, and that is not for the benefit of patients.

Barbara Keeley: Will the hon. Gentleman give way?

Dr Poulter: No, sit down. The hon. Lady should listen to this, because it is important. The point is that doctors and nurses need to be allowed to get on and do their jobs.

A key focus is not just about putting more money into front-line patient care but making sure that we have clinical leadership of services. Form-filling for the sake of it does not benefit patients; what benefits patients is allowing doctors to treat those in front of them. Under the perverse incentives that were created previously, the four-hour wait in A and E means that a patient with a broken toe is just as much of a priority as someone with potentially life-threatening chest pain. That is the problem with the service that we have, and that is why the clinical leadership and focus that this Bill is bringing will be so important.

Valerie Vaz *rose—*

Dr Poulter: I am going to make a little progress. Other speakers want to contribute, so I hope that the hon. Lady will forgive me for not taking her intervention.

The Bill focuses on integration and looks to improve the care particularly of our frail elderly. There is too much silo working in the health service—in primary care, in secondary care and in adult social services. The Bill seeks to integrate services through the role provided by Monitor in helping to provide an overarching view of value for the patient and through the setting up of health and wellbeing boards at local level. That is intended to provide better integration of adult social care with NHS care, which has not happened in all parts of the country.

The hon. Member for Easington made a very good speech in which he said that care was hugely variable throughout different parts of England. That is because in many areas we do not have properly joined-up thinking about how things are done. For example, hospitals are paid on payment by results, but there is no incentive necessarily to reduce admissions and to provide much more focused community care, which would be so important in improving the care of the frail elderly in their communities and in their homes. The Bill is starting to take the first steps towards that sort of joined-up thinking.

If Labour Members are concerned about this, the point was well made by Lord Warner in his recent comments as part of the Dilnot report. The right hon. Member for Holborn and St Pancras (Frank Dobson) laughs, but he served alongside Lord Warner in the previous Government.

Frank Dobson *rose—*

Dr Poulter: The right hon. Gentleman did not give way to me, but I will give way to him in a moment and listen to what he has to say. He sat alongside Lord Warner as a member of the Government, and Lord Warner has said that the previous Government did not pay enough attention to how we are better to integrate services and provide adult social care in the context of the NHS and other services.

Frank Dobson: I am glad that when I was Secretary of State for Health, Norman Warner did not get anywhere the Department of Health. I can report, on behalf of my London colleagues, that when he became an arbiter of the future of health care in London he must have been about the most unpopular person who has ever had that job.

Dr Poulter: The right hon. Gentleman was a part of the party of Government at that time. Lord Warner was a leading member, and it is fair to point out that he has come forward with some good cross-party recommendations that we very much welcome. The recommendations point to the fact that the key challenge for the NHS is better integrating services and providing high-quality patient care, especially in elderly care and adult social care. That has not happened as effectively as it should have done in the last 10 years and we need to ensure that it does happen. That is why this Bill is a good thing.

Members on both sides of the House have generally welcomed the use of the private sector where it can add value to the NHS, especially for patients. That has to be a good thing, but we need to ensure—as the Bill does—that we do not have the cherry-picking that we saw in the past. We need to ensure that we have a health service that provides better value for money, better care and more integrated adult social care and health care for the frail elderly.

Liz Kendall (Leicester West) (Lab): This is a crucial part of the debate that we will have over the next couple of days. Parts 3 and 4 of the Bill are at the heart of the Government's proposals for the NHS and of the concerns that professional bodies, patient groups, members of the public and Members—at least on this side of the House—have about those proposals. These parts will introduce a new economic regulator for the NHS, modelled on the same lines as those for gas, electricity and railways. They also enshrine UK and EU competition law into primary legislation on the NHS for the first time.

We have also been discussing crucial new amendments that, despite what the Secretary of State says, have not been scrutinised by the Future Forum, about the Government's new failure regime. That essentially addresses which local services and hospitals—such as we all have in our constituencies—will be allowed to fail.

Each of these subjects should be subject to separate and far longer debates, because they are of such importance to our constituents, our local NHS staff and our local services. However, because the House has been given so little time and the Government have tabled so many amendments, we have been forced to take these huge issues together—*[Interruption.]* As always, the Minister of State groans from a sedentary position, but Members have a right to question the Government on their proposals for local hospitals and services, and three or four hours is not sufficient. I hope that the other place will take that into account.

The Bill establishes Monitor as an economic regulator, modelled on the same lines as those for gas, electricity and railways. The explanatory notes make this explicit. Page 85 states that clauses in part 3 are based

"upon precedents from the utilities, rail and telecoms industries".

Indeed, in an interview with *The Times* earlier this year, David Bennett, the new chairman of Monitor, confirmed that that was the Government's plan, saying that Monitor's role would be comparable with the regulators of the gas, electricity and telecoms markets.

Labour Members have consistently argued that such a model is entirely wrong for our NHS. People's need for health care is not the same as their need for gas, water or telecoms. There is a fundamental difference between needs, ability to benefit, the complexity of services and the fact that they are far more interlinked. The NHS is not a normal market. It is not like a supermarket, or like gas or the railways. There are much more important issues at stake.

The Government have made some minor amendments to Monitor's duties, but they will not ensure the integration and collaboration that many hon. Members recognise is vital to improving health, especially for patients with long-term and chronic conditions. As my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) said, the duties still rig Monitor in favour of competition. It is not only Monitor's duties that do that. Chapter 2 of part 3 contains 12 clauses that explicitly introduce competition law into primary legislation on the NHS for the first time. The clauses give Monitor sweeping powers to conduct investigations into NHS services; to disqualify senior staff in hospitals and other NHS services; and to impose penalties for breaches of competition law, including the power to fine services that are found to have broken the law up to 10% of their turnover. Not only that, but third parties, including competitors, can bring damage claims against those services.

The Government claim, as the Secretary of State did earlier, that somehow those provisions will not change anything. In that case, why bother to have the clauses in the Bill? As the hon. Member for Southport (John Pugh) said, Labour Members have argued not that the Bill extends the scope of competition law, but that it extends the applicability of competition law to the NHS. It is not just the clauses on Monitor and competition law that do this, but others such as those that abolish the private patient cap on foundation trusts, and other Government policies, such as that of "any qualified provider".

Andrew George: I hope that the hon. Lady shares my disappointment that, despite the fact that we have debated this issue for four hours and that I have tabled nine selected amendments, I have not had the opportunity to explain the purpose of those amendments—even though the Secretary of State referred to them in his opening remarks. Does she accept, for example, that amendment 1207 relates to clause 58(3) and balancing competition versus anti-competitive behaviour? The other amendments seek to give integration a greater priority for the regulator to enforce.

Liz Kendall: I understand why the hon. Gentleman tabled those amendments and I understand his concerns. Opposition Members have consistently argued that the Bill threatens to pit doctor against doctor and service against service when they should be working together in the best interests of patients. Our view is that a far better approach than seeking to amend the Bill would be to delete part 3, because it is a fundamentally wrong way to treat our NHS. A few small changes to Monitor's duties would not alter what the Bill seeks to do, and that is why amendment 10 proposes deletion of part 3.

The Bill will guarantee that the NHS will be treated as a full market, and the providers of services will, for the first time, be treated as undertakings for the purpose of competition law. The Secretary of State said that the Bill would not increase the applicability of competition law, but the Minister of State confirmed it when he told the Committee:

"UK and EU competition laws will increasingly become applicable…in a future where the majority of providers are likely to be classed as undertakings for the purposes of EU competition law, that law…will apply."—[*Official Report, Health and Social Care Public Bill Committee,* 15 March 2011; c. 718.]

If the Government wish to claim that that would not be the effect of the Bill, they should publish any legal advice they have taken. Again, we have two different stories. The Minister of State says that the Government have taken legal advice, but in answers to parliamentary questions we hear that the Government have not taken legal advice. Members deserve to know what the advice is about the implications of this Bill.

NHS staff, patient groups and members of the public have very real fears about the consequences of the Government's proposals and the full market that is envisaged in the Bill. The previous Government saw that giving patients more choice and a greater say in their treatment, and bringing different providers into the system—including from the private and voluntary sectors—can bring real benefits, including improving outcomes and efficiency, especially in elective care. But we always did that using clear national standards that this Government are abolishing and with the ability to manage the consequences that choice and competition bring.

8 pm

One of the problems with this part of the Bill is that it does not recognise what some hon. Members have talked about—the interdependency of services. If we remove one service from a hospital, it has a knock-on effect on others. The ability to get the benefits of diversity and competition without destabilising services is a tricky balance, but the Bill does not acknowledge that balance. I am not just talking about the clauses we are discussing now. The Government are also abolishing key organisations, including primary care trusts and, in particular, strategic health authorities, which have an important role in managing the consequences of choice and competition in the system. The two biggest challenges facing the NHS are to specialise and centralise some services in specialist hospitals and to shift other services from district general hospitals out into the community. These changes will have consequences for hospitals. The Bill will make the changes harder to make, and the clauses that we are discussing will prevent the kind of close working and involvement of patients, the public and elected representatives that we need in order to make these changes happen.

The clauses also have consequences and implications for taxpayers. We come to the issue of Monitor's costs. Chris Ham, the head of the King's Fund, the well-respected health think tank, wrote in a *British Medical Journal* article in February that

"the government's proposals run the risk of replacing the bureaucracy of performance management with the red tape of economic regulation. Monitor will need to employ large numbers of economists,

lawyers, accountants, and managers to deal with competition issues, providers who fail, price setting, licensing providers, and other work."

That is not just a risk; it is a reality. The Minister of State kept changing his position in Committee. Initially he told us that the costs of Monitor would rise from £21 million a year at present to £130 million a year, but he then revised that figure down to £80 million. Of course, however, because the Government have not bothered to publish their impact assessment for the Bill, we have no idea what the costs of setting up this huge new regulatory body will be. It is not just Monitor that will end up having to employ lawyers, accountants and managers; clinical commissioning groups in hospitals will probably need to do it too. They could even be forced to take out expensive insurance in case they are fined, taken to court or even sued because they have fallen foul of competition law.

It is for all those reasons that we are so concerned about the Bill: because we do not think that the NHS should be remodelled along the same lines as the privatised utilities; because we think that competition is not the panacea that the Government think; and because we think that there are very real risks that the legislation will stop hospitals working together and developing their own community services because it could be seen as anti-competitive behaviour.

I turn to Government new clauses 2 and 6 and the series of Government amendments on their new failure regime. It is important that we are clear from the start about the purpose of these amendments, even though we have had only a very brief time to look at them—none of the professional bodies, health experts or managers has had a chance to scrutinise them properly. The Government claim that they are about securing continued access to services for NHS patients. That is an admirable attempt to spin what this is about. In fact, it is a fundamental part of the Government's plan to create a market in which more services will be likely to fail because it is a way of getting new people into the system. That is the reality of what is happening. The future of local services and whether they will be allowed to fail will be determined not by local clinicians, not by local patients and the public and not by locally elected representatives—I shall explain to the Secretary of State in a moment why his own policies will not do that—but by the new economic regulator, Monitor. I do not believe that this is what people want for their NHS, and it is not supported by Labour Members.

We have heard a lot from some Government Members about how bail-outs and bungs to NHS services have to end. I would just say that many services have received money because we want those services to continue. In my own constituency, Leicester hospitals are facing challenges and problems, and it would be useful to know whether, if their current £11 million deficit was covered by money found within the local health economy, it would be considered a bail-out or bung that would not be allowed under this system. I would be interested to hear from the Secretary of State whether that would be the case. Some Members will have an entire hospital in their constituency at risk of failing financially. We know this because Sir David Nicholson, the chief executive of the NHS, told the Public Accounts Committee on 25 January that there were 20 failing trusts—trusts that cannot become foundation trusts. I have asked the Minister repeatedly for a list of these trusts so that hon. Members who have patients who use those hospitals will know which ones they are and what the Government's plans for them are. Once again, however, the Government have failed to be open about that, which is a mistake because difficult changes can be made only if the Government genuinely engage with patients, the public and Members of the House on the decisions being taken.

The Bill also proposes removing the ability for foundation trusts to revert to NHS status and the ability to transfer assets and staff from the NHS, including to the private sector. Far from ending cherry-picking, as Government Members claim, it allows Monitor to vary prices for NHS services, including to private providers. That is what these new amendments state. The Government have made much of their claims to the Future Forum that cherry-picking will be ended. We did not get to discuss the cherry-picking amendments, and the new amendments now allow Monitor to do just that, which is a matter of great concern. These issues have not been scrutinised by doctors, nurses, managers, other NHS staff or local councils—and not even by the economic regulator, Monitor, which is running the process, or the Future Forum. It will therefore fall to Members of the other place to ensure that they hear the views and concerns of those bodies when they are scrutinising the Bill.

The situation is even more concerning because of the Government's poor track record—that is a polite way of putting it—on this issue. They got it badly wrong the first time round with their proposals for Monitor to designate which services are essential for patients and which would be allowed to fail. In the first Bill Committee, we argued against designation because it failed to ensure proper local democratic accountability; because it failed to understand that allowing one NHS service to fail would have a knock-on effect; because it failed to recognise the in-depth local knowledge required to make these decisions; and because it was a cumbersome and bureaucratic process. Above all, we argued that the process was wrong because it should be driven not by the economic regulator, Monitor, which is unelected and unaccountable, but by local people, patients and staff. The Government refused to listen, denying that any of our concerns were valid. I am glad that when the Future Forum made the same arguments as Labour Members, the Government put aside political prejudice and agreed to delete their designation clauses. However, they are making the same mistakes again. The new failure regime will be driven not by clinicians but by the economic regulator, Monitor. It will not give patients and the public a strong voice and it will not ensure effective local democratic accountability.

In reality, Monitor will take the lead in deciding which services are essential for local people and therefore whether they should continue in any form; whether and how it should intervene to try to prevent services from failing; and, if a service cannot improve and needs to close, what will be put in its place. The NHS Confederation says in its briefing for this debate:

"under these proposals Monitor will make fundamental decisions affecting the sustainability and future of individual services…the pattern of local NHS provision and we are concerned that it is unclear how Monitor will take decisions and how it will be held accountable."

John Pugh: Is there not a big difference between making fundamental decisions, as we accept Monitor will sometimes have to do, and what the hon. Lady has just described, which is about taking the lead in the integration and sourcing out of services, which presumably is what the commissioners do? If she has read the other bits of the Bill, as I am sure she has thoroughly, she will be aware that the commissioners have a pivotal role in determining the shape, structure and character of local services.

Liz Kendall: I should add that, as the hon. Gentleman will see, page 6 of the briefing notes that the Government published on the Bill says that clause 104 would

"give Monitor discretion in determining where it is appropriate to include standard licence conditions for the purposes of securing continuity of services".

As the NHS Confederation asks, how will Monitor have the local information and intelligence to make such complex judgments? How should patients and the public be involved? Monitor then has to keep the level of risk of the service under review, as well as taking decisions about whether and how to set differential prices for providers, to ensure the continuity of the process. How it is supposed to do that and how Members of this House, patients, the public or local councils are meant to hold it to account for that process is far from clear.

My biggest concern about the proposals is that they leave Monitor to intervene proactively to prevent services from reaching the point of failure. None of us wants such an outcome, but it is completely unclear when or how Monitor would do that. Page 10 of the technical annexe to the proposals said that the Government would

"expect Monitor to establish transparent and objective tests to determine when intervention is necessary and what level of support a provider would require",

and claims that

"This would provide certainty to patients and providers".

However, we have seen none of those details, and nor do we have any way of changing or influencing what Monitor does about the process, which is a real issue for hon. Members. Even under this Government's flawed approach, it is astonishing that they say that they would only "expect" Monitor to publish criteria for early intervention. Why is that not in the legislation? Why is Monitor not required to publish and widely consult?

I want briefly to set out a couple of other concerns about the process. If it ends up not being possible to prevent a service from failing, what happens next? A trust special administrator will be appointed to take control of the hospital and report to Monitor and then to the Secretary of State. However, there is nothing in the legislation to say that local clinicians, let alone locally elected representatives, have to agree or sign off such proposals. Indeed, page 15 of the technical annexe says that "where possible", the trust special administrator should

"secure agreement from clinical senates and clinical advisers".

The idea is that clinicians would not be required to sign off the decision—the trust special administrator might also consult the health and wellbeing board, for example—about which I know many Government and Opposition Members have been concerned. There is nothing in the proposals to say that Monitor has to look at the impact of decisions in one part of a hospital or service on either the rest of the hospital or the wider health community. With the abolition of strategic health authorities, which take that regional view, that becomes a real concern.

The reason these proposals are so important is that there is a risk that there will be more failing services in future, and not only because of the financial squeeze that the NHS is facing—many hon. Members have talked about the real issue out there, which is that services are struggling to keep going, experiencing problems in balancing books and keeping on NHS staff—but as a direct result of Government policy to drive a full market into every part of the service, albeit without any ability to manage the consequences. In fact, the Government's own documents make it clear that that is the point of competition. Paragraph B112 of the explanatory notes to the Bill states:

"For competition to work effectively, less effective providers must be able to…exit the market entirely".

The Secretary of State likes to try to explain his way out of this system, but he cannot have it both ways. Either he wants that—for services to fail and new providers to be brought into the system—or he does not.

8.15 pm

I want briefly to talk about two of our key sets of amendments in this group. Amendment 30 seeks to remove the provisions allowing NHS staff and property to be transferred outside the NHS in the insolvency process for failing providers, while our amendments 8, 9, 19, 20 and 116 would maintain the existing regime, by not removing the NHS trust safety net.

The challenge for the Secretary of State is that he likes to argue two different things to two different audiences. On the one hand, he likes to say that he is the champion of competition, diversity, not bailing out failing services and allowing services that are ineffective—however that is defined—to fail. On the other hand, he wants to convince staff, members of the public, constituents and some Members of this House that what he really wants is integration and collaboration—that he wants to give clinicians, patients, the public and locally elected democratic representatives the final say over services, not the market. He cannot have it both ways, and Opposition Members know what the truth is. He wants to see a system in our NHS that would pit doctor against doctor, and service against service—one that would let the market rip without any ability to manage the consequences that choice and competition bring. Opposition Members do not believe that to be the right approach for our NHS or the people we represent. That is why we have tabled our amendments to this part of the Bill, and why we will be opposing it.

Andrew George *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. If the hon. Gentleman will resume his seat, let me say that the knife comes down at 8.30 pm and I would like the opportunity to give the Secretary of State five minutes at the end of this debate. I would therefore be grateful if the hon. Gentleman would watch the clock and bear that in mind.

Andrew George: No pressure, then. I will be as brief as I can. I tabled nine of the amendments in this group, and I had hoped to spend a little more time on them than I have been given this evening. I accept new clause 2, which I shall be supporting; the purpose of that proposal is primarily to rearrange the deckchairs on the Titanic, so that they do not get in the way of the lifeboats. I am happy to support new clause 2, although I have already made clear my views on the Bill and the general direction of the Government's policy. I am not persuaded by many aspects of the Bill; indeed, I am very unhappy about them. I was very persuaded by the coalition agreement and felt that the balance of policy proposals in it was pretty much right. There were a number of debating points about the role and dynamics of "any willing provider", but apart from that the themes were absolutely right. However, they were not reflected in the White Paper.

That said, the purpose of my amendments—the right hon. Member for Holborn and St Pancras (Frank Dobson) articulated this point far better, I am sure, than I am about to—is primarily to ensure that Monitor's role to ensure that anti-competitive behaviour is kept in its box is balanced by looking at the impact of competitive behaviour that might undermine the ability of NHS services to collaborate.

The underlying purpose of amendments 1207 and 1208 is to neutralise or balance the new duty on Monitor to prevent anti-competitive practices that are against the interests of the people who use the services—in other words, patients—by also applying a duty to prevent anti-collaborative practices that would have the same effect. The Government say that that would result in Monitor preventing all practices that were against the interests of patients, but I disagree. Some unsafe practices would be neither competitive nor anti-competitive. The amendments would result in there no longer being a focus mainly on dealing with anti-competitive practices. I believe that that would strengthen the role of the regulator. This is a question of putting competition in its box, and it is important to ensure that it is put properly in its box, properly defined, and that the lid is put on. The purpose of the amendments is to achieve that outcome.

The Secretary of State told me, in response to an intervention relating to amendments seeking to secure a far better ability for Monitor to regulate the integration of services, that it should not be Monitor's role simply to sustain services that are presumably otherwise unsustainable. The problem with that, in relation to my amendments 1205, 1209, 1229 and others, is that we need to ensure that we sustain the essential services. The important point here, which others have articulated, is that certain services clearly need to integrate. An example is acute emergency trauma centres. If the orthopaedic, paediatric or ophthalmology services were removed from such essential centres, their ability to deal with a wide range of emergencies would be fundamentally undermined. They serve populations of between 250,000 and 500,000 people—sometimes more—and they are absolutely essential. We must ensure that we do not end up with a regulator that allows them to be undermined by imposing a duty on them not to act in an anti-competitive manner.

The purpose of the amendments is to probe these issues, but the Government have made it clear that the NHS will no longer be the preferred provider, which leaves a question mark over the future of those essential and acute services. I will sit down now in order to give the Secretary of State more time than you requested for him, Madam Deputy Speaker, but I want to emphasise that I shall support the Government's new clause. My amendments are probing amendments, but I wish that we had more time to debate these issues. This is very frustrating.

Madam Deputy Speaker: Order. I just remind the hon. Gentleman that the timetable for the debate was not set by me. I am merely assisting the House to meet its deadlines.

Mr Lansley: I am grateful to my hon. Friend the Member for St Ives (Andrew George) for the additional time, and I appreciate what he said in his speech. On securing continuing access to essential services, we are in exactly the same place. If a service is essential, it will be the responsibility—and, indeed, the objective—of the commissioners of that service to make it clear that they expect the regulator, or the administrator on the regulator's behalf, to secure access to those services.

That was one of the three points that the hon. Member for Leicester West (Liz Kendall) mentioned. I thought that she made rather a good speech, but its basic premises were flawed. She also said that Monitor would be responsible for making decisions on what happened to services in the event of a failing or failed provider, but that is simply not true. The whole point of this group of amendments, including new clause 6 and amendments 198 and 199, is to make it clear that commissioners will lead in those circumstances. The proposed structure in the event of failure, through the administrator and the regulator, must be led and approved by the commissioners, who will be clinically led. The fact that the hon. Lady can look at the consultation with, for example, clinical advisors and clinical senates, does not preclude the fact that it will be local clinicians leading the process. Nor does it preclude the fact that local authorities will have an opportunity to intervene, through the scrutiny powers that the amendments will bring in. Indeed, even the Secretary of State will have the opportunity to intervene. It will not simply be a matter of Monitor doing this; the process will be led by commissioners and clinicians, and local people will have the opportunity to intervene.

The hon. Lady also mentioned competition. The Labour party seems somehow to have turned against competition, in a complete shift from where it was in 2006. My hon. Friend the Member for Southport (John Pugh) said that we were bringing in Blairite health reforms-plus, but I think that we are doing something altogether more coherent, purposeful and positive. I would far rather that the comparison involved the focus on quality that the noble Lord Darzi brought in when he was a Health Minister. In so far as Mr Blair pursued these objectives when he was Prime Minister, I think that we are doing it much better.

The amendments, and the Bill, will not allow discrimination in favour of the private sector in the way that the last Labour Government did. We are going to stop that. We are going to stop cherry-picking, because variation in price could not be by virtue of the specific characteristics of the provider. Clause 58(10) makes it clear that Monitor cannot discriminate in favour of the private sector. When the hon. Lady's predecessor as Member for Leicester West, a previous Secretary of

State, set a target for the private sector's proportion of activity in the NHS, she was wrong. We are not going to do that. The only objective is to secure providers that deliver the best quality for patients. That is what we are all about.

I am grateful to other colleagues for their contributions to the debate, to which I cannot do justice. My hon. Friend the Member for Boston and Skegness (Mark Simmonds) asked whether commissioners would lead improvements in quality. The commissioning board will sort out disagreements, monitoring the commissioners, and together they must draw up plans to deal with providers that have failed.

My hon. Friend the Member for Southport asked whether Monitor or the Office of Fair Trading would deal with mergers. If we were to decide that it should be Monitor, the OFT would still have jurisdiction through its merger regime, so we would be duplicating that regime. I can assure my hon. Friend that, when the OFT is involved in any FT mergers, it will seek sectoral advice from Monitor, and that patient's interests will always be central to the considerations during the merger.

The hon. Member for Easington (Grahame M. Morris) and other Labour Members were going on about the takeover of failing hospitals by foreign companies. Let me make it clear to them that the last Government, in the National Health Service Act 2006, enabled the franchising of an NHS trust to a private company. That is the legislation under which the last Government initiated the franchising of management at Hinchingbrooke hospital. The last Labour Government then passed legislation in the form of the Health Act 2009, which would have enabled exactly the same thing to be done for foundation trusts, following de-authorisation. Our proposals would specifically prevent that, because we prevent de-authorisation in that way and we are withdrawing the 2006 legal framework for NHS trusts, which, in the long run, of course, will cease to exist.

This group of amendments is part of ensuring that the NHS is and always will be there when we need it. Through this Bill, we will strengthen our confidence in continued access to the services patients need. By contrast, the Opposition would leave the NHS stranded; they would take it back; they are by turns reactionary and opportunist. I invite the Opposition to withdraw their amendments and, if not, I invite the House to reject them. I understand the positive intentions of my hon. Friends who have tabled amendments, but I also ask them to withdraw them. Strengthened by our continuing commitment to listen and to respond, I invite the House to agree to the Government new clauses and amendments.

Question put, That the clause be read a Second time.

The House proceeded to a Division.

Madam Deputy Speaker (Dawn Primarolo): I ask the Serjeant at Arms to investigate the delay in the Aye Lobby.

The House having divided: Ayes 304, Noes 231.

Division No. 336] **[8.29 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David

Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Paterson, rh Mr Owen
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
James Duddridge and Stephen Crabb

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blunkett, rh Mr David
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris

Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Lilian Greenwood and Graham Jones

Question accordingly agreed to.

New clause 2 read a Second time.

8.47 pm

Proceedings interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

New clause 2 added to the Bill.

New Clause 6

OBJECTIVE OF TRUST SPECIAL ADMINISTRATION

'After section 65D of the National Health Service Act 2006 insert—

"65DA Objective of trust special administration

(1) The objective of a trust special administration is to secure—

(a) the continued provision of such of the services provided for the purposes of the NHS by the NHS foundation trust that is subject to an order under section 65D(2), at such level, as the commissioners of those services determine, and

(b) that it becomes unnecessary for the order to remain in force for that purpose.

(2) The commissioners may determine that the objective set out in subsection (1) is to apply to a service only if they are satisfied that the criterion in subsection (3) is met.

(3) The criterion is that ceasing to provide the service under this Act would, in the absence of alternative arrangements for its provision under this Act, be likely to—

(a) have a significant adverse impact on the health of persons in need of the service or significantly increase health inequalities, or

(b) cause a failure to prevent or ameliorate either a significant adverse impact on the health of such persons or a significant increase in health inequalities.

(4) In determining whether that criterion is met, the commissioners must (in so far as they would not otherwise be required to do so) have regard to—

(a) the current and future need for the provision of the service under this Act,

(b) whether ceasing to provide the service under this Act would significantly reduce equality between those for whom the commissioner arranges for the provision of services under this Act with respect to their ability to access services so provided, and

(c) such other matters as may be specified in relation to NHS foundation trusts in guidance published by the regulator.

(5) Monitor may revise guidance under subsection (4)(c) and, if it does so, must publish the guidance as revised.

(6) Before publishing guidance under subsection (4)(c) or (5), the regulator must obtain the approval of—

(a) the Secretary of State;

(b) the Board.

(7) The Board must make arrangements for facilitating agreement between commissioners in determining the services provided by the trust under this Act to which the objective set out in subsection (1) is to apply.

(8) Where commissioners fail to reach agreement in pursuance of arrangements under subsection (7), the Board may make the determination (and the duty imposed by subsection (1)(a), so far as applying to the commissioners concerned, is to be regarded as discharged).

(9) In this section—

"commissioners" means the persons to which the trust provides services under this Act, and

"health inequalities" means the inequalities between persons with respect to the outcomes achieved for them by the provision of services that are provided as part of the health service."'.—*(Mr Lansley.)*

Brought up, read the First and Second time.

Part 3

REGULATION OF HEALTH AND ADULT SOCIAL CARE SERVICES

Amendment proposed: 10, page 83, line 5, leave out Part 3.—*(Liz Kendall.)*

Question put, That the amendment be made.

The House divided: Ayes 232, Noes 302.

Division No. 337] **[8.48 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blenkinsop, Tom
Blunkett, rh Mr David
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lilian Greenwood and Graham Jones

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan

Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Paterson, rh Mr Owen
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Stephen Crabb and Norman Lamb

Question accordingly negatived.

Clause 60

POWER TO GIVE MONITOR FUNCTIONS RELATING TO ADULT SOCIAL CARE SERVICES

Amendment made: 87, page 85, line 14, at end insert—

'( ) Any regulations under this section must apply in relation to England only.'.—*(Mr Simon Burns)*

Clause 62

CONFLICTS BETWEEN FUNCTIONS

Amendment made: 90, page 86, line 30, leave out paragraph (b).—*(Mr Simon Burns)*

Clause 79

DESIGNATION OF SERVICES

Amendment made: 91, page 97, line 34, leave out clause 79.—*(Mr Simon Burns)*

Clause 80

COMPLAINT ABOUT GRANT OF APPLICATION FOR DESIGNATION

Amendment made: 92, page 99, line 20, leave out clause 80.—*(Mr Simon Burns)*

Clause 81

COMPLAINT ABOUT REFUSAL OF APPLICATION FOR DESIGNATION

Amendment made: 93, page 100, line 4, leave out clause 81.—*(Mr Simon Burns)*

Clause 82

REVIEWS AND REMOVALS OF DESIGNATIONS

Amendment made: 94, page 100, line 22, leave out clause 82.—*(Mr Simon Burns)*

Clause 83

COMPLAINT ABOUT GRANT OF APPLICATION FOR REMOVAL OF DESIGNATION

Amendment made: 95, page 101, line 26 leave out Clause 83.—*(Mr Simon Burns)*

Clause 84

COMPLAINT ABOUT REFUSAL OF APPLICATION FOR REMOVAL OF DESIGNATION

Amendment made: 96, page 102, line 1, leave out clause 84. —*(Mr Simon Burns)*

Clause 85

COMPLAINTS: GENERAL PROVISIONS

Amendment made: 97, page 102, line 31, leave out clause 85.—*(Mr Simon Burns)*

Clause 86

DESIGNATIONS AFFECTING MORE THAN ONE COMMISSIONER

Amendment made: 98, page 103, line 8, leave out clause 86. —*(Mr Simon Burns)*

Clause 87

GUIDANCE

Amendment made: 99, page 103, line 25, leave out clause 87.—*(Mr Simon Burns)*

Clause 103

LIMITS ON MONITOR'S FUNCTIONS TO SET OR MODIFY LICENCE CONDITIONS

Amendment made: 100, in clause 103, page 111, line 3, leave out 'designated services' and insert 'health care services for the purposes of the NHS'.—*(Mr Simon Burns)*

Clause 104

CONDITIONS: SUPPLEMENTARY

Amendments made: 101, in page 112, line 5, leave out 'designated services' and insert 'one or more of the health care services that the licence holder provides for the purposes of the NHS'.

102, page 112, line 8, leave out 'designated service' and insert 'health care service for the purposes of the NHS'.

103, page 112, line 12, leave out 'designated services' and insert 'health care services for the purposes of the NHS'.

104, page 112, line 14, leave out 'designated services' and insert 'health care services for the purposes of the NHS'.—*(Mr Simon Burns)*

Clause 108

STANDARD CONDITION AS TO TRANSPARENCY OF CERTAIN CRITERIA

Amendment made: 105, in clause 108, page 116, line 39, at end insert—

'( ) The following powers must not be exercised so as to omit the condition mentioned in subsection (1) from any licence under this Chapter—

(a) the powers conferred on Monitor by sections 105, 106(7) and paragraph 7(2) of Schedule 10 to modify the standard conditions applicable to all licences, or to licences of a particular description,

(b) the power conferred on the Competition Commission by paragraph 8(5) of that Schedule to modify those conditions, and

(c) the power conferred by section 107 on the Office of Fair Trading, Competition Commission and Secretary of State to modify those conditions.'.—*(Mr Simon Burns)*

Clause 109

POWER TO REQUIRE DOCUMENTS AND INFORMATION

Amendments made: 106, page 117, line 19, leave out 'Chapter 3 and'.

107, in clause 109, page 117, line 21, at end insert ', and

(d) Chapter 5A of that Part of that Act (trust special administration)'.—*(Mr Simon Burns)*

Clause 119

THE NATIONAL TARIFF

Amendments made: 113, page 122, line 28, at end insert ', and

(d) the method used for deciding whether to approve an agreement under section127 and for determining an application under section128 (local modifications of national prices).'.

114, page 123, line 13, at end insert—

'() the application of the method specified under subsection (1)(d),'.

115, page 123, line 24, leave out paragraph (a).—*(Mr Simon Burns)*

Clause 121

CONSULTATION ON PROPOSALS FOR THE NATIONAL TARIFF

Amendments made: 781, page 124, line 44, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

116, page 125, line 8, at end insert ', and

(d) the method it proposes to use for deciding whether to approve an agreement under section127 and for determining an application under section128 (local modifications of national prices).'.

117, line 28, at end insert—

'() the application of the method specified for the purposes of subsection (3)(d);'.

118, page 125, line 39, after '(b)', insert 'or (d)'.

119, page 125, line 39, after second 'method', insert ', and such guidance on the application of the method specified for the purposes of subsection (3)(d) as is included for the purposes of subsection (6) is only such guidance,'.

120, page 125, line 40, after 'specified', insert 'and included'.

121, page 125, line 41, after 'specified', insert 'and included'.

122, page 125, line 43, after 'specified', insert 'and the guidance that will be so included'.—*(Mr Simon Burns)*

Clause 127

LOCAL MODIFICATIONS OF PRICES OF DESIGNATED SERVICES: AGREEMENTS

Amendments made: 123, page 130, line 4, leave out from beginning to 'may' and insert 'The commissioner and the provider of a health care service'.

124, page 130, line 5, after 'service', insert 'for the purposes of the NHS'.

125, page 130, line 16, after 'if', insert ', having applied the method specified under section119(1)(d),'.

126, page 130, line 21, after 'to', insert 'the Secretary of State and'.

127, page 130, line 26, at end insert—

'( ) If the Secretary of State considers that the modification gives or may give rise (or, where it has yet to take effect, would or might give rise) to liability for breach of an EU obligation, the Secretary of State may give a direction to that effect; and the modification is (or is to be) of no effect in so far as it is subject to the direction.'.

128, page 130, line 27, leave out subsections (9) to (11).—*(Mr Simon Burns)*

Clause 128

LOCAL MODIFICATIONS OF PRICES OF DESIGNATED SERVICES: APPLICATIONS

Amendments made: 129, page 130, line 33, leave out 'designated' and insert 'health care'.

130, page 130, line 35, after 'service', insert 'for the purposes of the NHS'.

131, page 130, line 41, after 'if', insert ', having applied the method under section119(1)(d),'.

132, page 131, line 9, after 'to', insert 'the Secretary of State and'.

133, page 131, line 14, at end insert—

'( ) If the Secretary of State considers that the modification gives or may give rise (or, where it has yet to take effect, would or might give rise) to liability for breach of an EU obligation, the Secretary of State may give a direction to that effect; and the modification is (or is to be) of no effect in so far as it is subject to the direction.'.

134, page 131, line 15, leave out subsection (9).

135, page 131, line 19, leave out subsections (10) to (12).—*(Mr Simon Burns)*

Clause 130

APPLICATION OF INSOLVENCY LAW TO NHS FOUNDATION TRUSTS

Amendment made: 136, page 132, line 3 leave out Clause 130.—*(Mr Simon Burns)*

Clause 131

HEALTH SPECIAL ADMINISTRATION ORDERS

Amendments made: 137, page 133, line 20, at end insert—

'( ) A health special administrator of a company—

(a) is an officer of the court, and

(b) in exercising functions in relation to the company, is the company's agent.

( ) A person is not to be the health special administrator of a company unless the person is qualified to act as an insolvency practitioner in relation to the company.'.

138, page 133, line 33, leave out 'in the case of a provider which is a company,'.

139, page 133, line 35 , leave out 'company' and insert 'provider'.

140, page 133, line 40, after 'section' insert '—

(a) a reference to a person qualified to act as an insolvency practitioner in relation to a company is to be construed in accordance with Part 13 of the Insolvency Act 1986 (insolvency practitioners and their qualifications);

(b) '.

141, page 134, line 4, leave out paragraph (a).

142, page 134, line 12, leave out ', in relation to a company,'.

143, page 134, line 15, leave out from 'means' to end of line 16 and insert 'a company which is providing services to which a condition included in the company's licence under section104(1)(i), (j) or (k) applies;'.—*(Mr Simon Burns)*

Clause 132

OBJECTIVE OF A HEALTH SPECIAL ADMINISTRATION

Amendments made: 144, page 134, line 21, leave out from 'of' to ', and' in line 23 and insert 'such of the health care services provided for the purposes of the NHS by the company subject to the health special administration order, at such level, as the commissioners of those services determine by applying criteria specified in health special administration regulations (see section133)'.

145, page 134, line 28 , leave out 'NHS foundation trust or'.

146, page 134, line 32, leave out 'licence holder' and insert 'person'.

147, page 134, line 33, leave out 'NHS foundation trust or'.

148, page 134, line 35, leave out 'licence holders' and insert 'persons'.

149, page 134, line 38, leave out 'in the case of a company'.

150, page 135, line 1, leave out 'NHS foundation trust or'.

151, page 135, line 4, leave out 'trust or'.

152, page 135, line 6, leave out 'trust's or'.

153, page 135, line 9, leave out 'in the case of a company,'.

154, page 135, line 10, leave out 'its' and insert 'the company's'.—*(Mr Simon Burns)*

Clause 133

HEALTH SPECIAL ADMINISTRATION REGULATIONS

Amendments made: 155, page 135, line 33, at end insert—

'( ) Health special administration regulations may in particular make provision about the publication and maintenance by Monitor of a list of relevant providers.'.

156, page 135, line 33 at end insert—

'( ) Health special administration regulations may in particular—

(a) require Monitor to publish guidance for commissioners about the application of the criteria referred to in section132(1)(a);

(b) confer power on Monitor to revise guidance published by virtue of paragraph (a) and require it to publish guidance so revised;

(c) require Monitor, before publishing guidance by virtue of paragraph (a) or (b), to obtain the approval of the Secretary of State and the National Health Service Commissioning Board;

(d) require commissioners, when applying the criteria referred to in section132(1)(a), to have regard to such matters as Monitor may specify in guidance published by virtue of paragraph (a);

(e) require the National Health Service Commissioning Board to make arrangements for facilitating agreement between commissioners in their exercise of their function under section132(1)(a);

(f) confer power on the Board, where commissioners fail to reach agreement in pursuance of arrangements made by virtue of paragraph (e), to exercise their function under section132(1)(a);

(g) provide that, in consequence of the exercise of the power conferred by virtue of paragraph (f), the function under section132(1)(a), so far as applying to the commissioners concerned, is to be regarded as discharged;

(h) require a health special administrator to carry out in accordance with the regulations consultation on the action which the administrator recommends should be taken in relation to the provider concerned.'.

157, page 135, line 42, leave out paragraph (c).

158, page 136, line 5, at end insert—

'() the power to make rules in relation to Scotland is exercisable by the Secretary of State;'.—*(Mr Simon Burns)*

Clause 134

TRANSFER SCHEMES

Amendments made: 159, page 136, line 19 , leave out 'licence holder' and insert 'person'.

160, page 136, line 21 , at end insert ', and

() for modifications made to a transfer scheme by virtue of paragraph (b) to have effect from such time as Monitor may specify (which may be a time before the modifications were made).'.

161, page 136, line 23, at end insert—

'(za) for the transfer of rights and liabilities under or in connection with a contract of employment from a company subject to a health special administration order to another person,'.

162, page 136, line 24, leave out 'rights and liabilities' and insert 'or rights and liabilities other than those mentioned in paragraph (za)'.

163, page 136, line 24, leave out 'an NHS foundation trust or' and insert 'a'.

164, page 136, line 26, leave out 'licence holder' and insert 'person'.

165, page 136, line 26, leave out '(including' and insert—

'() for the transfer of'.—*(Mr Simon Burns)*

Clause 137

DUTY TO ESTABLISH MECHANISMS FOR PROVIDING FINANCIAL ASSISTANCE

Amendments made: 166, page 137, line 10, after 'to', insert '—

(a) '.

167, page 137, line 11, at end insert ', or

(b) an order under section 65D(2) of the National Health Service Act 2006 (trust special administration for NHS foundation trusts).'.

168, page 137, line 16, after '135', insert 'or under section 65D(11) of the National Health Service Act 2006'.

169, page 137, line 27, leave out subsection (6).—*(Mr Simon Burns)*

Clause 139

APPLICATIONS

Amendments made: 170, page 138, line 16, leave out 'health'.

171, page 138, line 17, leave out 'health'.

172, page 138, line 27, leave out 'health'.

173, page 138, line 32, leave out 'health'.

174, page 139, line 5, leave out from 'Chapter' to end of line 6 and insert '—

(a) "special administrator" means—

(i) a person appointed as a health special administrator under Chapter 6, or

(ii) a person appointed as a trust special administrator under section 65D(2) of the National Health Service Act 2006, and

(b) references to being in special administration are to be construed accordingly.'.—*(Mr Simon Burns)*

Clause 140

GRANTS AND LOANS

Amendments made: 175, page 139, line 11, leave out 'designated services' and insert 'one or more of the health care services that it provides for the purposes of the NHS'.

176, page 139, line 17, leave out 'health'.—*(Mr Simon Burns)*

Clause 141

POWER TO IMPOSE CHARGES ON COMMISSIONERS

Amendment made: 177, page 139, line 32, leave out 'designated services' and insert 'health care services for the purposes of the NHS'.—*(Mr Simon Burns)*

Clause 146

AMOUNT PAYABLE

Amendment made: 178, page 143, line 19, leave out 'health'.—*(Mr Simon Burns)*

Clause 147

INVESTMENT PRINCIPLES AND REVIEWS

Amendment made: 179, page 144, line 12, after '6,' insert—

'() the procedure for trust special administration for NHS foundation trusts under Chapter 5A of Part 2 of the National Health Service Act 2006,'.—*(Mr Simon Burns)*

Clause 153

INTERPRETATION AND CONSEQUENTIAL AMENDMENTS

Amendment made: 180, page 147, leave out line 34.—*(Mr Simon Burns)*

Clause 166

FINANCIAL POWERS ETC.

Amendments made: 181, page 156, line 39, leave out subsections (1) and (2).

182, page 157, leave out lines 7 to 11 and insert—

"(6) In relation to each exercise of the power under that subsection during the year to which the report relates, the report must specify the amount of the loan, issue of public dividend capital, grant or other payment and—

(a) in the case of a loan, the amount (if any) outstanding at the end of the year and the other terms on which the loan was made,

(b) in the case of an issue of public dividend capital, the terms on which it was issued (or, where a decision under section 42(3) is made in relation to it during that year, the terms so decided as those on which it is treated as having been issued), and

(c) in the case of a grant or other payment, the terms on which it was made.'.

183, page 157, line 17, at end insert—

"(7A) A report under subsection (5) must, in relation to each NHS foundation trust, specify—

(a) the amount of the public dividend capital of that trust at the end of the year to which the report relates, and

(b) the conditions on which it is held.'.

184, page 157, line 21, leave out paragraph (a).—*(Mr Simon Burns)*

Clause 171

MERGERS

Amendment made: 185, page 160, line 24, after '(1)', insert '—

(a) in paragraph (b), after "NHS trust" insert "established under section 25", and

(b) '.—*(Mr Simon Burns)*

Clause 172

ACQUISITIONS

Amendment made: 186, page 161, line 8, after second 'trust', insert 'established under section 25'.—*(Mr Simon Burns)*

Clause 175

SUPPLEMENTARY

Amendment made: 187, page 163, line 12, at end insert—

'( ) In section 271(3)(b) of that Act (territorial limit of exercise of functions under Chapter 5), for "Part 1" substitute "Part 2".'.—*(Mr Simon Burns)*

Clause 176

REPEAL OF DE-AUTHORISATION PROVISIONS

Amendment made: 188, page 163, line 17, leave out subsection (2) and insert—

'(2) Omit sections 53 to 55 of, and Schedule 9 to, that Act (voluntary arrangements and dissolution); and in consequence of that—

(a) in section 57 of that Act (as amended by section175 of this Act)—

(i) in subsection (3)(a), for "the persons mentioned in section 54(4)" substitute "another NHS foundation trust, an NHS trust established under section 25 or the Secretary of State",

(ii) omit subsection (3)(b), and

(iii) in subsection (4), for "any of the bodies mentioned in section 54(4)(a) or (c)" substitute "another NHS foundation trust or an NHS trust established under section 25",

(b) in section 64(4) of that Act (as amended by section 175 of this Act), omit paragraph (b) (but not the following "or"), and

(c) omit section 18(2) to (6) and (11) of the Health Act 2009.'.—*(Mr Simon Burns)*

Clause 177

TRUST SPECIAL ADMINISTRATORS

Amendments made: 189, page 163, line 39 , at end insert—

'(1A) For the title to section 65B of that Act substitute "NHS trusts: appointment of trust special administrator".

190, page 164, line 6, after 'trust.', insert—

"(3) As soon as reasonably practicable after the making of an order under subsection (2), the Care Quality Commission must provide to the regulator a report on the safety and quality of the services that the trust provides under this Act.'.

191, page 164, line 12, leave out '(but not the "and" following it)'.

192, page 164, line 12, at end insert—

'() in paragraph (c), omit "goods or"'.

193, page 164, line 12, at end insert ', and

() after paragraph (c) insert ", and

(d) the Care Quality Commission."'.

194, page 164, line 26, at end insert—

"(8A) A person appointed as a trust special administrator under this section must manage the trust's affairs, business and property, and exercise the trust special administrator's functions, so as to achieve the objective set out in section 65DA as quickly and as efficiently as is reasonably practicable.'

195, page 164, line 34, leave out 'The Secretary of State' and insert 'The regulator'.

196, page 164, line 35, leave out 'the Secretary of State' and insert 'the regulator'.—*(Mr Simon Burns)*

Clause 178

PROCEDURE ETC.

Amendments made: 197, page 164, line 42 , leave out from '(2)' to end of line 43 and insert '—

(a) before paragraph (a) insert—

"(za) the Board,", and

(b) omit paragraph (a) (but not the following "and").'.

198, page 165, line 4, after 'regulator.', insert—

"(5) In the case of an NHS foundation trust, the administrator may not provide the draft report to the regulator under subsection (1)—

(a) without having obtained from each commissioner a statement that the commissioner considers that the recommendation in the draft report would achieve the objective set out in section 65DA, or

(b) where the administrator does not obtain a statement to that effect from one or more commissioners (other than the Board), without having obtained a statement to that effect from the Board.

(6) Where the Board decides not to provide to the administrator a statement to that effect, the Board must—

(a) give a notice of the reasons for its decision to the administrator and to the regulator;

(b) publish the notice;

(c) lay a copy of it before Parliament.

(7) In subsection (5), "commissioner" means a person to which the trust provides services under this Act.'.

199, page 165, line 4, at end insert—

'( ) At the end of section 65G of that Act (consultation plan) insert—

(4) In the case of an NHS foundation trust, the administrator may not make a variation to the draft report following the consultation period—

(a) without having obtained from each commissioner a statement that the commissioner considers that the recommendation in the draft report as so varied would achieve the objective set out in section 65DA, or

(b) where the administrator does not obtain a statement to that effect from one or more commissioners (other than the Board), without having obtained a statement to that effect from the Board.

(5) Where the Board decides not to provide to the administrator a statement to that effect, the Board must—

(a) give a notice of the reasons for its decision to the administrator and to the regulator;

(b) publish the notice;

(c) lay a copy of it before Parliament.

(6) In subsection (4), "commissioner" means a person to which the trust provides services under this Act."'.

200, page 165, line 5, leave out from '(7)' to end of line 7 and insert '—

(a) before paragraph (a) insert—

"(za) the Board,",

(b) omit paragraph (a),

(c) in paragraph (b), omit ", if required by directions given by the Secretary of State", and

(d) after paragraph (c) insert ";

(d) any other person specified in a direction given by the Secretary of State."'.

201, page 165, line 8, leave out from 'section,' to end of line 10 and insert 'omit paragraphs (a) to (d)'.

202, page 165, line 10, at end insert—

'( ) In subsection (9) of that section—

(a) after "representatives of" insert "the Board and", and

(b) for "(7)(a) or (b)" substitute "(7)(b), (c) or (d)".'.

203, page 165, line 13, after 'trust', insert '—

(a) in subsection (7)(b), the words "goods or" are to be ignored, and

(b) in subsections (7)(d) and (10),'.

204, page 165, line 14, after 'regulator.', insert—

"(13) In the case of an NHS foundation trust, the Secretary of State may direct the regulator as to persons from whom it should direct the administrator under subsection (10) to request or seek a response.'.—*(Mr Simon Burns)*

Clause 179

ACTION FOLLOWING FINAL REPORT

Amendments made: 205, page 165, line 25, for subsection (1) substitute—

'(1) In section 65K of the National Health Service Act 2006 (Secretary of State's decision on what action to take), in subsection (1), after "a final report under section 65I" insert "relating to an NHS trust"; and in consequence of that, for the title to that section substitute "Secretary of State's decision in case of NHS trust".

(1A) After that section insert—

"65KA Regulator's decision in case of NHS foundation trust

(1) Within the period of 20 working days beginning with the day on which the regulator receives a final report under section 65I relating to an NHS foundation trust, the regulator must decide whether it is satisfied—

(a) that the action recommended in the final report would achieve the objective set out in section 65DA, and

(b) that the trust special administrator has carried out the administration duties.

(2) In subsection (1)(b), "administration duties" means the duties imposed on the administrator by—

(a) this Chapter,

(b) a direction under this Chapter, or

(c) the administrator's terms of appointment.

(3) If the regulator is satisfied as mentioned in subsection (1), it must as soon as reasonably practicable provide to the Secretary of State—

(a) the final report, and

(b) the report provided to the regulator by the Care Quality Commission under section 65D(3).

(4) If the regulator is not satisfied as mentioned in subsection (1), it must as soon as reasonably practicable give a notice of that decision to the administrator.

(5) Where the regulator gives a notice under subsection (4), sections 65F to 65J apply in relation to the trust to such extent, and with such modifications, as the regulator may specify in the notice.

(6) The regulator must as soon as reasonably practicable after giving a notice under subsection (4)—

(a) publish the notice,

(b) lay a copy of it before Parliament.

65KB Secretary of State's response to regulator's decision

'(1) Within the period of 30 working days beginning with the day on which the Secretary of State receives the reports referred to in section 65KA(3), the Secretary of State must decide whether the Secretary of State is satisfied—

(a) that the persons to which the NHS foundation trust in question provides services under this Act have discharged their functions for the purposes of this Chapter,

(b) that the trust special administrator has carried out the administration duties (within the meaning of section 65KA(1)(b)),

(c) that the regulator has discharged its functions for the purposes of this Chapter,

(d) that the action recommended in the final report would secure the continued provision of the services provided by the trust to which the objective set out in section 65DA applies,

(e) that the recommended action would secure the provision of services that are of sufficient safety and quality to be provided under this Act, and

(f) that the recommended action would provide good value for money.

(2) If the Secretary of State is not satisfied as mentioned in subsection (1), the Secretary of State must as soon as reasonably practicable—

(a) give the trust special administrator a notice of the decision and of the reasons for it;

(b) give a copy of the notice to the regulator;

(c) publish the notice;

(d) lay a copy of it before Parliament.

65KC Action following Secretary of State's rejection of final report

'(1) Within the period of 20 working days beginning with the day on which the trust special administrator receives a notice under section 65KB(2), the administrator must provide to the regulator the final report varied so far as the administrator considers necessary to secure that the Secretary of State is satisfied as mentioned in section 65KB(1).

(2) Where the administrator provides to the regulator a final report under subsection (1), section 65KA applies in relation to the report as it applies in relation to a final report under section 65I; and for that purpose, that section has effect as if—

(a) in subsection (1), for "20 working days" there were substituted "10 working days", and

(b) subsection (3)(b) were omitted.

(3) If the Secretary of State thinks that, in the circumstances, it is not reasonable for the administrator to be required to carry out the duty under subsection (1) within the period mentioned in that subsection, the Secretary of State may by order extend the period.

(4) If an order is made under subsection (3), the administrator must—

(a) publish a notice stating the date on which the period will expire, and

(b) where the administrator is proposing to carry out consultation in response to the notice under section 65KB(2), publish a statement setting out the means by which the administrator will consult during the extended period.

65KD Secretary of State's response to re-submitted final report

'(1) Within the period of 30 working days beginning with the day on which the Secretary of State receives a final report under section 65KA(3) as applied by section 65KC(2), the Secretary of State must decide whether the Secretary of State is, in relation to the report, satisfied as to the matters in 65KB(1)(a) to (f).

(2) If the Secretary of State is not satisfied as mentioned in subsection (1), the Secretary of State must as soon as reasonably practicable—

(a) publish a notice of the decision and the reasons for it;

(b) lay a copy of the notice before Parliament.

(3) Where the Secretary of State publishes a notice under subsection (2)(a), subsections (4) to (8) apply.

(4) If the notice states that the Board has failed to discharge a function—

(a) the Board is to be treated for the purposes of this Act as having failed to discharge the function, and

(b) the failure is to be treated for those purposes as significant (and section 13Z1 applies accordingly).

(5) If the notice states that a clinical commissioning group has failed to discharge a function—

(a) the group is to be treated for the purposes of this Act as having failed to discharge the function,

(b) the Secretary of State may exercise the functions of the Board under section 14Z19(2), (3)(a) and (8)(a), and

(c) the Board may not exercise any of its functions under section 14Z19.

(6) Where, by virtue of subsection (5)(b), the Secretary of State exercises the function of the Board under subsection (3)(a) of section 14Z19, subsection (9)(a) of that section applies but with the substitution for the references to the Board of references to the Secretary of State.

(7) If the notice states that the trust special administrator has failed to discharge the administration duties (within the meaning of section 65KA(1)(b))—

(a) the administration duties are to be treated for the purposes of this Act as functions of the regulator,

(b) the regulator is to be treated for the purposes of this Act as having failed to discharge those functions, and

(c) the failure is to be treated for those purposes as significant (and section 66 of the Health and Social Care Act 2011 applies accordingly, but with the omission of subsection (3)).

(8) If the notice states that the regulator has failed to discharge a function—

(a) the regulator is to be treated for the purposes of this Act as having failed to discharge the function, and

(b) the failure is to be treated for those purposes as significant (and section 66 of the Health and Social Care Act 2011 applies accordingly, but with the omission of subsection (3)).

(9) Within the period of 60 working days beginning with the day on which the Secretary of State publishes a notice under subsection (2)(a), the Secretary of State must decide what action to take in relation to the trust.

(10) The Secretary of State must as soon as reasonably practicable—

(a) publish a notice of the decision and the reasons for it;

(b) lay a copy of the notice before Parliament.'".

206, page 166, line 8, leave out from 'insert' to 'to' in line 12 and insert '—

"(2A) For the purposes of subsection (1) in its application to the case of an NHS foundation trust, the reference to section 65K is to be read as a reference to section 65KD(9); and this section also applies in the case of an NHS foundation trust if—

(a) the Secretary of State is satisfied as mentioned in section 65KB(1) or 65KD(1) in relation to the trust, and

(b) the action recommended in the final report is to do something other than dissolve the trust.

(2B) For the purposes of subsection (2) in its application to the case of an NHS foundation trust—

(a) the reference to the Secretary of State is to be read as a reference'.

207, page 166, line 23, at end insert—

'( ) After that section insert—

"65LA Trusts to be dissolved

(1) This section applies if—

(a) the Secretary of State is satisfied as mentioned in section 65KB(1) or 65KD(1), and

(b) the action recommended in the final report is to dissolve the NHS foundation trust in question.

(2) This section also applies if the Secretary of State decides under section 65KD(9) to dissolve the NHS foundation trust in question.

(3) The regulator may make an order—

(a) dissolving the trust, and

(b) transferring, or providing for the transfer of, the property and liabilities of the trust—

(i) to another NHS foundation trust or the Secretary of State, or

(ii) between another NHS foundation trust and the Secretary of State.

(4) An order under subsection (3) may include provision for the transfer of employees of the trust.

(5) The liabilities that may be transferred to an NHS foundation trust by virtue of subsection (3)(b) include criminal liabilities."

( ) For the cross-heading preceding section 65K substitute "Action by the Secretary of State and the regulator".'.—*(Mr Simon Burns)*

Clause 180

SECTIONS 177 TO 179: SUPPLEMENTARY

Amendments made: 208, page 166, line 29, at end insert—

'( ) In section 65N of that Act (power to issue guidance), after subsection (2) insert—

(2A) It must include guidance about the publication of—

(a) notices under section 65KC(4)(a);

(b) statements under section 65KC(4)(b).'".

209, page 166, line 38, leave out '65K or 65L' and insert '65L or 65LA'.

210, page 166, line 40, at end insert—

'(ia) a copy of any notice published under section 65F, 65H, 65J, 65KA, 65KB or 65KD,'.

211, page 166, leave out line 42.

212, page 167, line 15, leave out '65K(4)' and insert '65(KC)(3)'.

213, page 167, line 15, before 'and', insert—

'() after "65L(2) or (4)" insert "65LA(3)",'.

214, page 167, line 21, leave out '65K' and insert '65LA'.

215, page 167, line 23, at end insert—

'(ia) a copy of any notice published under section 65F, 65H, 65J, 65KA, 65KB or 65KD,'.

216, page 167, leave out line 25.—*(Mr Simon Burns)*

Clause 181

REPEAL OF CHAPTER 5A OF PART 2 OF THE NATIONAL HEALTH SERVICE ACT 2006

Amendment made: 217, page 167, line 31, leave out clause 181.—*(Mr Simon Burns)*

Clause 182

APPLICATION OF NHS TRUSTS IN ENGLAND

Amendment made: 218, page 168, line 31, leave out paragraphs (b) and (c).—*(Mr Simon Burns)*

Clause 183

REPEAL OF PROVISIONS ON AUTHORISATION FOR NHS FOUNDATION TRUSTS

Amendments made: 219, page 169, line 2, after 'liabilities)' insert '; in consequence of that, omit section 95 of this Act (licences to provide health care services: NHS foundation trusts)'.

220, page 169, line 10, after 'Act' insert ', and section 95(1) and (2) of this Act,'.—*(Mr Simon Burns)*

Schedule 13

PART 3: MINOR AND CONSEQUENTIAL AMENDMENTS

Amendment made: 366, page 367, line 31, at end insert—

'Equality Act 2010 (c.15)

In Part 1 of Schedule 19 to the Equality Act 2010 (bodies subject to public sector equality duty), for the entry for the Independent Regulator of NHS Foundation Trusts substitute "Monitor".'.— *(Mr Simon Burns)*

Schedule 14

ABOLITION OF NHS TRUSTS IN ENGLAND: CONSEQUENTIAL AMENDMENTS

Amendments made: 367, page 368, line 26, leave out from 'section' to end of line 27 and insert '56 (mergers of NHS foundation trusts)—

(a) in subsection (1)(b) (as amended by section171(1)(a)), omit "or an NHS trust established under section 25"'.

368, page 368, line 27, at end insert ', and

(b) in subsection (1A) (as inserted by section171(2)), omit "(that is an NHS foundation trust)".'.

369, page 368, line 28, leave out from 'section' to end of line 30 and insert '56A (acquisitions of NHS foundation trusts) (as inserted by section172)—

(a) in subsection (1)(b), omit "or an NHS trust established under section 25"'.

370, page 368, line 30, at end insert ', and

(b) in subsection (2), omit "(that is an NHS foundation trust)".'.

371, page 368, line 40, leave out paragraph 13 and insert—

13 (1) Omit section 65B (appointment of trust special administrator in relation to NHS trust).

(2) In consequence of that repeal, omit section 177(1A) of this Act.'.

372, page 368, line 43, at end insert—

13A Omit section 65C (suspension of directors of NHS trust).

13B (1) Section 65F (special administrator's draft report) is amended as follows.

(2) In subsection (1), for "the Secretary of State", in each place it appears, substitute "the regulator".

(3) In subsection (2)(b)—

(a) omit "goods or", and

(b) for "the Secretary of State" substitute "the regulator".

(4) After subsection (2) insert—

"(2A) The administrator may not provide the draft report to the regulator under subsection (1)—

(a) without having obtained from each commissioner a statement that the commissioner considers that the recommendation in the draft report would achieve the objective set out in section 65DA, or

(b) where the administrator does not obtain a statement to that effect from one or more commissioners (other than the Board), without having obtained a statement to that effect from the Board.

(2B) Where the Board decides not to provide to the administrator a statement to that effect, the Board must—

(a) give a notice of the reasons for its decision to the administrator and to the regulator;

(b) publish the notice;

(c) lay a copy of it before Parliament.

(2C) In subsection (2A), "commissioner" means a person to which the trust provides services under this Act."

(5) In subsection (3), for "the Secretary of State" substitute "the regulator".

(6) Omit subsections (4) to (7).

(7) In consequence of those repeals, omit section 178(2) of this Act.

13C In section 65G (consultation plan), in subsection (4), omit "In the case of an NHS foundation trust,".

13D (1) Section 65H (consultation on draft report) is amended as follows.

(2) In subsection (7)—

(a) in paragraph (b), omit "goods or", and

(b) in paragraphs (c) and (d), for "the Secretary of State" substitute "the regulator".

(3) In subsection (10), for "The Secretary of State" substitute "The regulator".

(4) After that subsection insert —

"(10A) The Secretary of State may direct the regulator as to persons from whom it should direct the administrator under subsection (10) to request or seek a response."

(5) Omit subsections (12) and (13).

(6) In consequence of those repeals, omit section 178(5) of this Act.

13E (1) Section 65I (administrator's final report) is amended as follows.

(2) In subsection (1), for "the Secretary of State", in each place it appears, substitute "the regulator".

(3) In subsection (3), for "the Secretary of State" substitute "the regulator".

(4) Omit subsection (4).

(5) In consequence of that repeal, omit section 178(6) of this Act.

13F (1) Section 65J (power to extend time limits) is amended as follows.

(2) In subsection (2), for "the Secretary of State", in each place it appears, substitute "the regulator".

(3) Omit subsection (5).

(4) In consequence of that repeal, omit section 178(7) of this Act.

13G (1) Omit section 65K (decision on action to take in relation to the trust) and the preceding cross-heading.

(2) In consequence of those repeals, omit section 179(1) of this Act.

13H (1) Section 65KA (regulator's decision in case of NHS foundation trust) is amended as follows.

(2) In subsection (1), omit "relating to an NHS foundation trust".

(3) In subsection (5), for "the trust" substitute "the NHS foundation trust in question".

(4) For the title to that section substitute "The regulator's decision".

(5) Before that section, insert as a cross-heading "Action by the regulator and the Secretary of State".

13I (1) Section 65L (trusts coming out of administration) is amended as follows.

(2) In subsection (1)—

(a) for "65K" substitute "65KB(2) or 65KD(2) or (9)", and

(b) for "the trust" substitute "the NHS foundation trust in question".

(3) In subsection (2)—

(a) for "The Secretary of State" substitute "The regulator", and

(b) for "and directors" substitute ", directors and governors".

(4) Omit subsections (2A), (2B) and (6).

(5) In consequence of the repeal of subsections (2A) and (2B) of that section, omit section 179(2) of this Act.

13J (1) Section 65M (replacement of special administrator) is amended as follows.

(2) In subsection (1), for "the Secretary of State", in each place it appears, substitute "the regulator".

(3) In subsection (2), for "the Secretary of State" substitute "the regulator".

(4) Omit subsection (3).

(5) In consequence of that repeal, omit section 180(1) of this Act.

13K (1) Section 65N (guidance) is amended as follows.

(2) In subsection (1), for "The Secretary of State" substitute "The regulator".

(3) Omit subsection (4).

(4) In consequence of that repeal, omit section 180(2) of this Act.'.—*(Mr Simon Burns)*

New Clause 3

DURATION OF TRANSITIONAL PERIOD

'(1) Section 117 ceases to have effect in relation to an NHS foundation trust on 1 April 2016 unless—

(a) before that date, the Secretary of State provides by order for that section to continue to have effect in relation to the trust, or

(b) the trust was authorised after 1 April 2014.

(2) An order under this section may provide that section 117 is to continue to have effect for such period as is specified—

(a) in relation to all NHS foundation trusts, or

(b) in relation only to such NHS foundation trusts as are specified.

(3) But an order under this section may not apply to a trust in relation to which section 117 has, by virtue of a previous order under this section, ceased to have effect.

(4) A period specified for the purposes of subsection (2)—

(a) must begin with the day on which section117 would, but for the order, cease to have effect in relation to the trusts to which the order applies, and

(b) must not exceed two years.

(5) In the case of a trust to which an order under this section applies, and which was authorised on or before 1 April 2014, section 117 ceases to have effect in relation to the trust in accordance with that order or any subsequent orders under this section which apply to the trust.

(6) In the case of a trust which was authorised after 1 April 2014 (including a trust authorised on or after 1 April 2016 if, at the time it is authorised, section 117 still has effect), section 117 ceases to have effect in relation to the trust—

(a) if no order under this section is made before the end of the initial two-year period, at the end of that period;

(b) if an order under this section is made in reliance on subsection (2)(a) before the end of the initial two-year period, on whichever is the later of—

(i) the end of that period, and

(ii) the day on which that order or a subsequent order under this section ceases to apply to the trust;

(c) if an order under this section is made in reliance on subsection (2)(b) before the end of the initial two-year period, in accordance with section [Orders under section [Duration of transitional period] that apply to only some trusts](8) to (11).

(7) In this section and section [Orders under section [Duration of transitional period] that apply to only some trusts]—

(a) "the initial two-year period", in relation to an NHS foundation trust, is the period of two years beginning with the day on which the trust is authorised;

(b) a reference to being authorised is a reference to being given an authorisation under section 35 of the National Health Service Act 2006.

(8) Section 117 is repealed as soon as there are—

(a) no NHS foundation trusts in relation to which it has effect, and

(b) no NHS trusts in existence (whether because they had all ceased to exist without section182 having come into force or there are none continuing in existence by virtue of subsection (3) of that section).'.—*(Paul Burstow.)*

Brought up, and read the First time.

9 pm

The Minister of State, Department of Health (Paul Burstow): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Dawn Primarolo): With this it will be convenient to discuss the following:

Government new clause 4—*Orders under section [Duration of transitional period] that apply to only some trusts.*

Government new clause 5—*Repeal of sections [Duration of transitional period] and [Orders under section [Duration of transitional period] that apply to only some trusts].*

Government amendments 88, 89 and 108 to 112.

Amendment 17, in clause 117, page 122, line 3, leave out subsection (12).

Government amendments 282 and 285.

Paul Burstow: These Government amendments will make important changes to extend Monitor's intervention powers over all foundation trusts until 2016. This would give additional time for foundation trusts' governors to build the capability that they need to be able to hold their boards to account.

As my right hon. Friend the Secretary of State has described, through part 3 of the Bill, Monitor as the sector regulator would have permanent intervention powers over all providers, including foundation trusts. These will allow it to fulfil its duty to protect and promote the patient's interest and its functions include supporting commissioners in securing continuity of services. That is why we believe that Opposition amendment 17 is not only ineffective, based as it is on non-existent terms of authorisation, but also redundant.

My right hon. Friend the Secretary of State has already confirmed that we agree that it is essential that Monitor, as health sector regulator, can take action to secure patients' continued access to NHS services, and our plans ensure this. Monitor would have powers under its licensing regime to require a provider to take specific actions if it gets into difficulties. These will be effective safeguards to protect patients' and taxpayers' interests, and will support commissioners in securing continued access to services that patients depend on for their care. I hope, therefore, that the hon. Members who tabled the amendment will not press it.

However, the NHS Future Forum raised concerns about the current readiness of foundation trust governors to take on the strengthened role that the Bill provides

for them in holding foundation trusts to account as autonomous NHS providers. In response, the Government have agreed that Monitor's intervention powers should apply to all foundation trusts until 2016, to allow time for their governance arrangements to become fully effective. The amendments provide for the transitional powers to continue until 2016. They also make corresponding amendments to clause 117 on licence conditions supporting use of the powers, and remove clause 116, about identifying which foundation trusts would be subject to the powers.

The amendments do not change the nature of the transitional intervention powers set out in clause 117. Monitor will continue to have the power to remove or suspend members of the board of directors or members of the council of governors. Monitor would also be able to direct a foundation trust to do or not to do specific things within a specified timetable. These powers are similar to those currently available to Monitor in its role as foundation trust regulator, and would allow Monitor to continue to protect the taxpayers' interest in foundation trusts.

The powers go beyond those that Monitor would have over all providers, under part 3, as sector regulator. They will help to ensure a smooth transition from the current arrangements for NHS foundation trusts. The amendments would allow the Secretary of State to seek further parliamentary agreement to extend the powers beyond 2016 for all or some foundation trusts for up to two years at a time. That power could be used, for example, if there was a significant remaining concern about the governance of some foundation trusts.

If it were decided to extend the powers for some, but not all, foundation trusts, Monitor would be required to go through a process similar to that originally envisaged in clause 116. It would have to publish the criteria that it would use to decide which foundation trusts would remain subject to its intervention powers. Those criteria would be subject to consultation and would require approval from the Secretary of State. The amendments will ensure that the transitional regime proposed in the Bill provides a more secure safety net while foundation trust governors develop the skills and capabilities necessary to hold their boards to account.

The amendments would enable Monitor to rectify avoidable difficulties at a foundation trust while foundation trust governance arrangements developed, ahead of normal regulatory intervention through the licensing regime. They also provide for the extension of the powers, should that prove necessary. I commend them to the House.

Owen Smith: I do not intend to take long, because we must get on to the important next group of new clauses and amendments, which is on the private patient cap; there will be huge interest in that outside this place, and there is far too little time to discuss it. I shall say right at the outset that we will not press amendment 17, because we accept that, as the Minister said, it is effectively made redundant by other amendments that have been tabled.

In some respects, the amendments in the group before us tell the story of the Bill in microcosm. Throughout the progress of the Bill, the Government have responded in two ways. One has been to bolt endless obfuscation and compromise on to the Bill to obscure its true intentions. There was clarity at the outset, in the Bill's first iteration; it clearly aimed to break up a publicly owned, collaborative NHS and replace it with a competitive, market-driven NHS. The Government have sought to obscure that throughout the Bill's progress, and have done so relatively effectively. Certainly, more gullible Government Members, perhaps even including the Deputy Prime Minister, have bought into the double-speak about this now being a question of preventing anti-competition, as opposed to promoting competition, but we Labour Members still do not buy that.

Nor do we buy the idea that the other amendments that we have considered today add clarity. In truth, they add to the confusion—the chaos, indeed—that will follow the implementation of the Bill. As the Minister has outlined, the clauses that we are considering effectively extend Monitor's existing compliance and regulatory roles over foundation trusts to all FTs through to 2016. That is what the Future Forum recommended to Ministers, but they did not do that last time, although they did get rid of the arbitrary 2014 deadline that they had introduced. They are now going a step further and extending Monitor's compliance functions. That might not be such a bad thing, and perhaps many people will agree with the idea; certainly the Future Forum will. The trouble with it, of course, is that it extends the critical conflict of interest that is at the heart of Monitor's role.

There is a conflict between what is clearly Monitor's principal function—as an economic regulator, designed to prevent anti-competitive behaviour and facilitate the exit of providers, such as hospitals, from the marketplace—and its compliance role, which is ostensibly about allowing FTs to flourish, and making sure that they do not fail. How will the Government deal with that apparent contradiction? To use their own words as set out in the original explanatory notes, how will they

"mitigate and manage potential conflicts of interest"

between the transitional functions and Monitor's new functions? Well, rest easy, because the Government have made a very simple suggestion as to how Monitor should square that circle, which I am sure all Members will find satisfactory, as I do. Clause 62(3), subtly amended by Government amendment 89, explains that Monitor must simply

"ignore the functions it has under section…117 when exercising…its functions"

relating to competition, price-setting, or the licensing of NHS services.

So there we go: in Monitor there are to be Chinese walls, as Ministers colourfully put it in Committee. Monitor retains its role in trying to keep FTs from failing, but it also takes on a role in exiting them from the market and helping other providers—Bupa, perhaps, or Helios, which we know are sniffing around the Department of Health right now—to step into the breach. Chinese walls, competition and confusion: those are the key words for this botched Bill.

Question put and agreed to.

New clause 3 accordingly read a Second time, and added to the Bill.

New Clause 4

Orders under section [Duration of transitional period] that apply to only some trusts

'(1) Where the Secretary of State proposes to make an order under section [Duration of transitional period] in reliance on subsection (2)(b) of that section ("a section [Duration of

transitional period](2)(b) order"), the Secretary of State must notify Monitor.

(2) Monitor, having received a notification under subsection (1), must set the criteria that are to be applied for the purpose of determining to which NHS foundation trusts the order should apply.

(3) Before setting criteria under subsection (2), Monitor must—

(a) consult the Care Quality Commission and such other persons as Monitor considers appropriate, and

(b) obtain the approval of the Secretary of State.

(4) If the Secretary of State approves the proposed criteria, Monitor must—

(a) publish the criteria,

(b) determine, by applying the criteria, to which trusts the order should apply,

(c) notify the Secretary of State of its determination, and

(d) publish a list of the trusts concerned.

(5) If the Secretary of State does not approve the proposed criteria, Monitor must propose revised criteria; and subsections (3)(b) and (4) apply in relation to the proposed revised criteria as they apply in relation to the criteria previously proposed.

(6) If, having received a notification under subsection (1), Monitor proposes to set criteria the same as those it set on the last occasion it received a notification under that subsection, it need not comply with subsection (3)(a).

(7) A section [Duration of transitional period](2)(b) order—

(a) must apply to all the trusts that are determined under subsection (4)(b) as being the trusts to which the order should apply (and to no others);

(b) may specify the trusts to which it applies by reference to their inclusion in the list published under subsection (4)(d).

(8) Subsection (9) applies where —

(a) a section [Duration of transitional period](2)(b) order is in force at a time when there is in existence an NHS foundation trust authorised after 1 April 2014, and

(b) the initial two-year period in relation to that trust has yet to come to an end.

(9) Monitor must—

(a) determine, by applying the criteria it applied under subsection (4)(b), whether section 117 should continue to have effect in relation to the trust after the end of the initial two-year period,

(b) notify the Secretary of State of its determination, and

(c) publish its determination.

(10) If Monitor determines under subsection (9)(a) that section117 should so continue to have effect, the trust is to be treated as if it had been authorised on or before 1 April 2014 and as if the order referred to in subsection (7)(a) applied to it; and section [Duration of transitional period] (5) is accordingly to apply in relation to the trust.

(11) If Monitor determines under subsection (9)(a) that section 117 should not so continue to have effect, section 117 ceases to have effect in relation to the trust immediately after the end of the initial two-year period.'.—*(Paul Burstow.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 5

REPEAL OF SECTIONS [DURATION OF TRANSITIONAL PERIOD] AND [ORDERS UNDER SECTION [DURATION OF TRANSITIONAL PERIOD] THAT APPLY TO ONLY SOME TRUSTS]

'(1) Sections [Duration of transitional period] and [Orders under section [Duration of transitional period] that apply to only some trusts] are repealed immediately after section 117 is repealed; and in consequence of that—

(a) in section 62(2)(a), omit "or under sections 117 and [Orders under section [Duration of transitional period] that apply to only some trusts] of this Act (imposition of licence conditions on NHS foundation trusts during transitional period)",

(b) omit section62(3),

(c) in section 94(4), after paragraph (a) insert "and",

(d) in section 94(4), omit paragraph (c) and the preceding "and", and

(e) omit section 302(5)(e) and (8A).

(2) This section is repealed immediately after sections [Duration of transitional period] and [Orders under section [Duration of transitional period] that apply to only some trusts] are repealed.'.—*(Paul Burstow.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 19

NHS FOUNDATIONS TRUSTS: PHASING OUT OF PROVISION OF PRIVATE HEALTH CARE

'The Secretary of State must make regulations which provide for NHS Foundation Trusts to be prevented from providing services other than those of the health service in England within three years of Royal Assent of this Act.'.—*(Andrew George.)*

Brought up, and read the First time.

Andrew George: I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Dawn Primarolo): With this it will be convenient to discuss the following:

New clause 22—*Private health care: rules*—

'(1) Section 44 of the National Health Service Act 2006 (Private healthcare) is amended as follows.

(2) Insert new subsection (A1) as follows—

"(A1) NHS Foundation Trusts must act in accordance with the following rules when carrying out their functions under this section—

(a) NHS Foundation Trusts are not permitted to operate NHS functions or contracts in a manner which promotes their private healthcare operation;

(b) any private healthcare service offered should only be within the provision of the services and procedures which are not also duplicated by the Trust's NHS functions or contracts; and

(c) the Trust should at all times operate any private healthcare interest in a manner which in no way conflicts with its responsibility to provide unfettered access of its NHS patients to its NHS services."'.

Amendment 1165, page 159, line 24, leave out clause 168.

Andrew George: The new clauses deal with a totemic issue that has bedevilled the debate throughout and raised concerns. The question whether to raise the cap or leave it where it is is a ham-fisted reaction to our current situation in the Report stage of a re-committed Bill. There should be an opportunity for further consideration, and I hope the issue will be examined in another place.

There has been much hyperbole about the privatisation of the NHS and other themes that have run through the debate. The general concern is that, as a result of various genies being let out of bottles and caps being lifted, we will end up with an NHS driven more by concern with private profit than by concern with matters of patient care. There is a slippery slope, of which that issue is symptomatic, throughout the Bill.

The purpose of the new clauses is to address that issue and retain the cap to ensure that the matter is kept under appropriate control. The rough and tumble of political debate means that we will end up scoring points off each other and asking who introduced foundation trusts and so on. We have been through that playground before and I do not intend to go in that direction, but I want to make sure that we have an opportunity to explore the matter. We do not have much time so I will not detain the House unnecessarily.

The removal of the cap will give more scope for NHS trusts to compete in the market, which will make them more likely to be considered undertakings for competition law purposes, even in respect of NHS services which the hospitals claim their private work subsidises, thus allowing competition law to reach further and more firmly into the NHS. The Government briefing does not even dispute that fact, as far as I can see. Also, if NHS foundation trusts can muscle in on the private market, rather like the BBC, private providers will feel more justified in arguing for the right to compete for far more NHS services, and the courts may well agree.

New clause 19 recognises that pay beds in the NHS represent a challenge, both ethically—it is about how beds can be reserved for paying patients in the same hospitals where poorer patients with higher needs must wait—and with regard to competition law. It would phase out the reserving of beds for paying patients in NHS hospitals by 2015.

New clause 22 would put a bar on foundation trusts offering private services where that would compete with their NHS provision. I certainly know, having undertaken surveys of the NHS 12 years ago, that the specialties with the longest waiting times—I will not say which, but Members might guess—happened to be those in which the most private practice was going on. One might argue that the private practice resulted from the long waiting times, but the long waiting times could have been part of a system that enabled the private sector to flourish. I fully accept—to save the Minister a lot of time in his response—that the new clause is technically very deficient, so I will not press it to a vote, but I want to express my concern and probe the issue in debate.

I know that there are ethical considerations here and that the General Medical Council and others would not only frown on the kind of practices I am implying might go on, but would rule against them. The concern is that the trusts, or those working for them, might be seduced into behaving in ways that drive their NHS patients into the arms of their private wings. Once we go down that road, many conundrums will arise and will need to be sorted out. I do not believe that the Government entirely have a handle on the issue, which is why I believe that simply lifting the cap, despite all the justifications they have given, needs a serious rethink.

9.15 pm

I do not question Ministers' intentions, which I think are honourable, but I do think that they have the wrong policy. I do not think that they, as some claim, want to push privatisation across the NHS, but I do think that this could end up being a catastrophic policy that unleashes something that, once it goes through, we will be able to regret at our leisure. On that basis, I simply wanted to raise these matters and ensure that we have an opportunity to debate them, primarily for the purposes of probing the issues.

Emily Thornberry: I would like to speak to amendment 1165, which stands in my name and those of my right hon. Friend the Member for Wentworth and Dearne (John Healey), my hon. Friends the Members for Leicester West (Liz Kendall), for Halton (Derek Twigg) and for Pontypridd (Owen Smith), and the hon. Members for St Ives (Andrew George), for Southport (John Pugh) and for Leeds North West (Greg Mulholland). It would delete clause 168, which abolishes the cap on the number of private patients who can be treated in foundation trust hospitals. There has been much interest in this issue, and we will seek a vote on the matter if possible.

Earlier, the Secretary of State assured us that the legislation would not result in a market free-for-all. "That will not happen if this Bill is passed," he said. But close examination of the clause shows that we will certainly be getting a step closer. It will mean that our national health service, where people are tended by our NHS-trained doctors using our NHS equipment, will be full of private patients, who are able to pay more. Hard-pressed hospitals facing increasingly large shortfalls, desperately trying to balance their books, are bound to take in increasing numbers of private patients.

We have been here before. Many of us remember the last time the Conservatives were in power, when there was a two-tier health service: those who could pay got faster treatment and could skip the queue, while those who could not afford to go private had to wait, and many of them had to die.

I am pleased that the Secretary of State has seen the letter in *The Times* today. It is often concerning to see how he assimilates data, because he seems to listen only to some things and not to others; he listens to what he wants to hear. I hope that he has realised that in *The Times* today the doctors, nurses, midwives, psychiatrists, physiotherapists and occupational therapists have said that the Bill will destabilise the national health service. They are particularly concerned about the removal of the private patient cap. Why is that? The Government's own impact assessment, at B156, acknowledges that

"there is a risk that private patients may be prioritised above NHS patients resulting in a growth in waiting lists and waiting times for NHS patients."

We could not have put that better ourselves, and it is in the Government's own impact assessment of the Bill.

If we lift the cap on the number of private patients in the time of crisis that the national health service is about to go into, as night follows day the number of private patients in hospitals will increase, forcing out national health service patients. As a result, waiting lists will go up, and what will the public make of that?

Dr Poulter: As the hon. Lady is well aware, the previous Government introduced the private sector in a number of hospitals, and at the moment the private sector works alongside the NHS, helping to cut down on waiting times and the like. She is concerned about the private sector working alongside the NHS in hospitals. Does she have any concerns at the moment based on what the previous Government did in introducing that side-by-side service?

Emily Thornberry: What is extraordinary is that many people who used to go private felt that it was not necessary to do so under a Labour Government because they did not have to wait as they had to under the Conservative Government—that is one thing that I certainly remember. Yes, we have used the private sector as and when it has been necessary to reduce waiting lists, but we are not talking about that now. We are talking about whether there should be a cap on the number of private patients in national health service beds.

Dr Poulter: The hon. Lady is very kind to give way twice. She makes well the point about why the private sector is beneficial. We either agree that the private sector adds value to the NHS and patients or we say that it is a bad thing; it is either working at the moment for the benefit of patients and will work that way in future, or it is not and will not. Which way does the hon. Lady see it?

Emily Thornberry: I am sure that that contribution was of some use to someone in this debate, but I am not going to bother to respond to it.

Helen Jones (Warrington North) (Lab): Does my hon. Friend agree that the real difference between what was happening under the Labour Government and what is proposed in this Bill is that we used the private sector to treat people on the basis of need identified by the NHS, not ability to pay? This Government propose to allow more people to pay to jump the queue. In that sense, if waiting lists go up, that helps the private sector: there is no point in paying to jump the queue if there is no queue.

Emily Thornberry: Exactly; I am very grateful to my hon. Friend.

The Secretary of State, like the Minister of State, the right hon. Member for Chelmsford (Mr Burns), is fond of quoting the Future Forum. I have a quote from Professor Steve Field that I hope will be of assistance to the House when it comes to discussion of the cap. He said in evidence to the Committee:

"if you opened the cap, it made you more likely to be under attack from EU law, competition and Monitor".—[*Official Report, Health and Social Care (Re-committed) Public Bill Committee*, 28 June 2011; c. 14, Q24.]

That is one of the arguments that he used. If the Future Forum is concerned about this being another reason why we should not lift the cap, I hope that the Minister will at least listen to its arguments.

As we heard in Committee, a number of criticisms have been made on both sides of the House about the details of the cap and how it is implemented. Indeed, it is common ground that there ought to be some changes to it. We have no problem about changing and modifying the cap and making it more appropriate, but we do not understand why, just because the cap needs changing, it is simply being lifted completely.

A parallel can be drawn with the carbon emissions cap. If I were working in the Potteries in Staffordshire, I am sure that I would believe that the carbon emissions cap was unfair and went against my personal business. One would need to look at the cap and change it as appropriate in order to make it work properly; one would not get rid of it completely just because there are criticisms of it, unless one had another agenda.

The question is why on earth the Government are considering allowing as many private patients as wish to do so to go into our national health service at a time of crisis, pushing out national health service patients. *[Interruption.]* If the Minister believes that that is wrong, I will be interested to hear an intervention from him in which I hope he will be able to give us a complete assurance that that will not happen. The fact of the matter is that there are not the necessary safeguards. As we understand it, there will be absolutely no limit. We have no idea how foundation trusts are going to respond to the lifting of the cap. We do not know and neither, with great respect, does the Minister. Why is he allowing this great risk to be taken with our national health service? The clause needs to be looked at very carefully in this place, and I know that it will be looked at very carefully in another place.

Nicky Morgan: I am not sure whether the hon. Lady has seen a note from the Foundation Trust Network that was, I believe, circulated to all Members of the House and sets out six positive reasons why the private patient income cap has worked: it has allowed hospitals to build new units, to buy leading-edge technology, to extend mental health support, to offer fertility treatment, and to provide maternity services. There is also the fact that rental income is caught by the cap. There are some positive benefits in allowing private patients access to be treated by hospitals. In particular, at a time of financial crisis, bringing new technology into the NHS must be a good thing.

Emily Thornberry: I am grateful to the hon. Lady. I think that if we were to stop and walk away from party politics, we would be quite close on this matter. We do not have a problem with there being a cap; the problem is how it is implemented. I think that, deep down, she agrees with us. The difficulty is that her party wants to get rid of the cap completely, and that will have a completely different effect on the national health service. We are happy to sit down and talk to the agencies that will be affected and to make improvements in the working of the cap, but getting rid of it completely is behaving recklessly with our national health service.

Nicky Morgan: The misinformation and emotive language that has been used throughout the whole debate has been using patients at the heart of this. Everything we have heard so far on both sides of the House, perhaps prompted by the hon. Lady's remarks, has been about how bringing in private patients is bad for the NHS. In fact there are some good aspects. I am pleased to hear that there can be some agreement between both sides of the House.

Emily Thornberry: That is why I have been relying on the Government's impact assessment as perhaps the strongest part of my argument. I have also relied on what Professor Field has had to say. I would now like to turn to Baroness Williams, who wrote an article published on 4 September that I commend to the House, in which she says:

"One thing that remains...is the decision to lift the cap on private beds in foundation hospitals. Not only could that mean that many of our finest hospitals would gradually become private, it also means that inevitably foundation hospitals would be subject to European and British competition law."

Many organisations and people agree with us on this, and that is why the House should pause and think about what we will be doing to the national health service if we accept this clause. I also pray in aid the Royal College of Nursing's briefing, which Members who are closely following this debate will have read, in which it says that it is against the removal of the cap and does not believe that it will not have an effect on NHS patients' access to health care. The BMA has said the same thing.

In essence, the argument is about whether we should have a cap or not. If the House votes tonight to lift the cap, our constituents will ask how it can be that their representative has voted for a clause that allows private patients to fill up the national health service hospital paid for by those constituents' taxes so that they will be pushed out of it.

9.30 pm

Mr Simon Burns: I am grateful to my hon. Friend the Member for Cornwall—I mean the hon. Member for St Ives (Andrew George)—for moving the new clauses and amendment, especially for the constructive and reasonable way in which he did so. He raised several issues and, if I understand him correctly, he sees the amendment as a probing amendment that also puts across several of his concerns about this issue. I hope to deal with the main thrust of his concern in my contribution.

I am also grateful to the hon. Member for Islington South and Finsbury (Emily Thornberry) for her contribution. Her amendment and indeed her comments were more controversial and I have far more disagreement with several of the contentious things that she said, although she will be unaware that I am saying that because she is not listening. She might argue that she is not missing much.

I shall start with a fact. It may have got lost in the telling, but I assume that the hon. Lady realises that there is no cap at the moment for NHS trusts. There is only a cap for foundation trusts. She has not seen the difficulties that she forecasts in NHS trusts, and I hope—although I am not confident of success—that I will convince her that her fears are unfounded.

The Government believe that keeping the cap would damage the NHS and patients' interests. Removing it would allow foundation trusts to earn more income to improve NHS services, and I will address the safeguards that will be in place to ensure that the armageddon that the hon. Lady predicted will not happen and that my hon. Friend's concerns are needless.

Removing the cap will enable foundation trusts to earn more money to improve NHS services, and those trusts are telling us that they must be freed from what is an unfair, arbitrary, unnecessary and blunt legal instrument. I do not want to go too far down memory lane, but I must remind the House that there was no intellectual case for bringing in the cap in the first place. It was introduced in 2002-03 in the relevant legislation as a sop to old Labour. The right hon. Member for Holborn and St Pancras (Frank Dobson) says that he has moved on, but he still has the Neanderthal tendencies of old Labour—*[Interruption.]* Before the Opposition Whip says anything, I should point out that the right hon. Gentleman takes that as a compliment. I am being very nice to him and probably enhancing his street cred. He would not thank the Whip for diminishing that.

The point is that the cap was not brought in after some coherent intellectual argument about protecting the NHS or preventing private patients from overrunning the NHS. It was brought in because the then Health Secretary, Alan Milburn, and the then Prime Minister, Tony Blair, were having considerable problems with some of their Back Benchers on this issue. To avoid a defeat on the Floor of the House, they brought in the cap as a sop to those Back Benchers to buy them off. But it was not introduced consistently for both NHS trusts and foundation trusts—just for the latter.

The cap is arbitrary and unfair. Several NHS trusts that are not subject to the private patient income cap have private incomes well in excess of many foundation trusts. Last year, four of the top 10 private income earners were NHS trusts—that is, without a cap. A few FTs have high private incomes simply because they did a few years ago. The cap locks FTs into keeping private income below 2002-03 levels and means that last year about 75% of FTs were severely restricted by caps of 1.5% or less. Meanwhile, patients at the Royal Marsden benefit from its cap being 31%, and it has consistently been rated as higher performing by the Care Quality Commission.

Andrew George: The Minister is making an interesting point. Will he elaborate further on the proportions of the private work to which he refers? Is that private work for private patients or private work for research, innovation and training, which are important functions of hospitals but are often lost in the debate?

Mr Burns: The hon. Gentleman raises an important point, but the simple answer is that it is a combination of both.

The cap is unnecessary. I remind Opposition Members that the original proposal was not to have one. To suggest that NHS patients would be disadvantaged if the cap was removed, as the hon. Member for Islington South and Finsbury did, is pure and simple scaremongering. Existing and new safeguards will protect them. NHS commissioners will remain responsible for securing timely and high-quality care for NHS patients. The Bill will make FTs more accountable and transparent to their public and staff, allowing us to require separate accounts for NHS and private income and giving communities and governors greater powers to hold FTs to account in performing their main duty, which is to care for NHS patients.

Chris Leslie: Will the Minister give way?

Mr Burns: No, because others want to speak.

I can assure the House that FTs will retain their principal legal purpose—to serve the NHS. This means that the majority of their income will continue to come from the NHS. With no shareholders, any profit they make will have to be ploughed back into the FT, and so will support that purpose of caring for NHS patients. The vast majority of FTs have little, if any, potential to increase private income, never mind the desire to do so. For them, NHS activity will remain the overwhelming majority of the work they do, if not all of their work. It is extremely unlikely that even the most entrepreneurial FTs with international reputations would seek to test the boundaries. Their commissioners, public and NHS staff governors would hold them to account in fulfilling their duties and serving their NHS patients.

[Mr Simon Burns]

For these FTs, however, the cap is a blunt instrument that harms NHS patients. FTs tell us that there is potential to bring extra non-NHS income into the NHS, for example, by developing the NHS's intellectual property, from innovations such as joint ventures and by using NHS knowledge abroad. Additional demand and income can help organisations to bring in leading-edge technology faster, including in the important area of cancer treatment. I hope that that goes some way to helping my hon. Friend the Member for St Ives. Opposition amendment 1165 would harm the NHS, and new clauses 19 and 22 would stop FTs providing private health care altogether. Many of the other protections proposed would be almost as damaging and reduce income.

We want to ensure that safeguards are appropriate, not harmful. For example, a prohibition on FTs offering privately the same services that they offer on the NHS would rule out most of their current private health care. It could even create perverse incentives to stop providing some services for some NHS patients. We are confident that private income benefits NHS patients. On reflection, we are proposing to explore whether and how to amend the Bill to ensure that FTs explain how their non-NHS income is benefiting NHS patients. We will also ensure that governors of FTs can hold boards to account for how they meet their purpose and use that income. I believe that that is an important move forward.

Simon Hughes (Bermondsey and Old Southwark) (LD): Will the Minister give way?

Mr Burns: I hope that the right hon. Gentleman will forgive me, but I will not give way, because other hon. Members wish to speak and the debate finishes in 20 minutes.

To my mind, the private patient cap and the proposed new restrictions are both unnecessary and damaging. Indeed, I know that this will drive some Opposition Members potty, but the former Labour Minister responsible for the cap, Lord Warner, repented his sins in the other place, describing it as

"wrong and detrimental to the NHS."—[*Official Report, House of Lords,* 12 May 2009; Vol. 710, c. 936.]

I urge Opposition Members not to repeat that mistake and to heed Lord Warner's advice. I appreciate that the Opposition Benches are not full of champions of Lord Warner—particularly not at that end of the Chamber from which we heard the earlier comments about him—but he is a respected former Labour Health Minister and I would suggest that he knows what he is talking about.

Let me deal briefly with two final points that were made by the hon. Members for Islington South and Finsbury and for St Ives about the safeguards that are in place to offer protection and ensure that NHS patients would not lose out with the removal of the cap. First, the NHS commissioning board and clinical commissioning groups would be responsible for ensuring that NHS patients are offered prompt and high-quality care, and that good use is made of NHS resources, whoever provides care, through robust contracting arrangements. NHS patients will also maintain their right in the NHS constitution to start treatment within 18 weeks of referral. Secondly, as foundation trusts do not have shareholders and cannot distribute surpluses externally, and as their principal legal purpose will remain to serve the NHS, all proceeds from non-NHS work would be reinvested in the organisation, ultimately adding to the level and quality of the NHS service.

The Bill will make FTs more accountable and transparent to their public and NHS staff. Our commitment that FTs will produce separate accounts for their NHS and NHS private-funded services—as well as Monitor's use of its regulatory powers to ensure a level playing field between providers—will also help to avoid any risk of NHS resources cross-subsidising private care, thereby protecting NHS money. I believe that those five safeguards will protect NHS patients and the NHS, and will not lead to the situation that the hon. Member for Islington South and Finsbury described in her speech.

Emily Thornberry: I do not mean in any way to suggest that the right hon. Gentleman does not believe what he has just said, but what if he is wrong? It is all very well for him to say, "We're going to lift the private patient cap—we have these safeguards and I believe they're sufficient to ensure that NHS patients won't suffer," and he may be right. However, the difficulty is that he may be wrong, so why are we taking this risk at a time like this? What is the point? What is the benefit?

Mr Burns: I do not think that this will come as a surprise to the hon. Lady, but I do not think that I am wrong, and I say that for the following reasons. First, there has never been a cap on NHS trusts, and the problems that she has speculated about during this debate have never occurred where there is not a cap. Secondly, the reasons that I have outlined would suggest to me that there will not be a problem, particularly as the one hospital that I singled out—the Royal Marsden—has an income cap of 30.7%. Nobody is suggesting that NHS patients are suffering as a result of that, and that is where a substantial income comes from non-NHS work. Finally, the five safeguards that I have highlighted will be powerful measures to ensure that what she describes will not happen.

For those reasons, I would be grateful if my hon. Friend the Member for St Ives did not press his new clause to a vote. I would also hope that, on reflection and having made her points, the hon. Member for Islington South and Finsbury will resist the temptation to press her amendment to a Division. I fear, however, that she is not going to heed my advice, and she will regret it.

Several hon. Members *rose—*

Mr Speaker: Order. Four Members are seeking to catch my eye, and I should like to give the person who moved the new clause a couple of moments to speak. Members can do the arithmetic for themselves.

9.45 pm

Caroline Lucas: New clauses 19 and 22 also have my name on them, and I should like to say a few more words in support of them as I have not been reassured by the Minister. I find it unacceptable that taxpayers' money has ever been used to allow private patients to jump the queue and use NHS facilities. The history of the cap was all very interesting, but the bottom line is that it serves an important purpose, which is why it

should stay. The Government argue that income from private patients is put back into the NHS and ultimately benefits the health service, but the reality is that when people become ill and need treatment, it is hard to justify asking them to wait longer because capacity in our NHS hospitals is being taken up by private patients. The bottom line is that an NHS hospital has to treat NHS patients, and I do not believe that we have adequate spare capacity sloshing about in the system to justify private queue-jumping.

Some Members will recall that foundation trusts were brought in after Alan Milburn visited the state-owned but privately run Fundación hospital in Madrid. The then Health Secretary was apparently impressed when he was told that the foundation hospital outperformed the Government-controlled hospitals. However, he ignored the argument put forward by the local unions that it was able to do so precisely because the more costly and difficult patients were sent to the fully public hospital nearby.

It is often argued that foundation trusts are about choice, but I would argue that such private treatment should be offered only when there is surplus provision in the system. It is one thing to talk about a choice of general goods and services, but it is enormously inefficient and massively costly to apply that mentality to the health service. Now, we see the present Government trying to use the model introduced by the previous one to allow foundation trusts to do as they please, and lifting the cap on the income that can be derived from private sources.

The hundreds of constituents who are contacting me about this do not want private queue-jumping; they want NHS services paid for from taxation. The future of the NHS should be about developing whole systems, not isolated institutions, and private health care in the NHS should be phased out. The NHS needs to be about building networks across professional and institutional boundaries, not about creating new barriers. It needs to be about IT and information sharing, not reducing connectivity, and about getting more people treated in the community and in primary care. The danger with this Bill is that it will do exactly the opposite and return us to the fragmentation of the time before the NHS.

John Pugh: I supported the amendment tabled by the hon. Member for Islington South and Finsbury (Emily Thornberry)—or, rather, I tabled it independently. I accepted at the time that it was not the most elegant way of dealing with the problem, but I recognise that there is a problem, as do foundation trusts. The cap as it stands has certain perverse consequences, and the NHS cannot fully profit from sources such as intellectual property. NHS profits help to subsidise public services. As the Minister has pointed out, there is no cap on non-foundation trusts, and the current format was to some extent a political compromise because Labour Members raised certain considerations during the passage of the legislation on foundation hospitals. That does not mean that their concerns were not valid at the time.

I am not concerned by the prospect of dramatic privatisation overnight; nor do I think that queue-jumping is the real danger. By abolishing the cap altogether, however, we run the risk that foundation trusts will run on the wrong side of state aid rules, and that their activity will be perceived as economic activity under EU competition law. The more they subsidise general NHS services, the more they will be perceived as engaging in economic activity.

I do not take a doctrinaire view on this issue. Very sensible people, such as Steve Field and the NHS Confederation, have raised the matter. The hon. Member for Leicester West (Liz Kendall) raised it, as did, if I recall correctly, the hon. Member for Islington South and Finsbury in a spirit of compromise in Committee, making the point—I think I am quoting her correctly—that the only alternative to a bad cap is not no cap at all.

There is a genuine fear, however, among people who are far more expert than most hon. Members in this field, which is caused by the blurring of the boundaries between public and private hospitals. We could end up theoretically with a private hospital that has 90% of its patients provided by the NHS. I know we cannot end up with an NHS hospital filled by 90% of private patients, but there is a threshold at which things could quite easily start to become complicated. This a critical issue, which will have to be dealt with in the House of Lords.

Emily Thornberry: The hon. Gentleman has quoted me, so let me clarify that I was quoting the Deputy Prime Minister when I said that the only alternative to a bad Bill was not no Bill at all. I was talking about a Bill as opposed to a cap.

John Pugh: I may not have paraphrased the hon. Lady correctly, but I believe that the sentiments I described were expressed by her in discussions of a particular amendment on this subject, but we can go and look at the Committee proceedings to find out whether I am right.

It seems to me that what has happened on this occasion is that the Secretary of State has rehearsed the arguments that we have already heard in Committee. That does not advance things massively. He has supplemented that by saying that better efforts should be made to explain how the cap operates by the foundation trusts themselves, which will be more accountable, as I think he said, to the governing body of the foundation trust. That is an explanation and good explanation is to be desired. The point is, however, that expert opinion—independent of this House— perceives this to be a problem, but it has not been addressed.

Chris Leslie: I intended to make only a short intervention, but given the Minister's cap on interventions, I decided that I needed to find a brief opportunity to say that removing the private patient cap is the wrong thing to do. The Minister's basic argument— "I do not think I'm wrong"—really does not cut it. Removing the cap will remove an incentive for reducing waiting lists. The two issues of waiting lists and waiting times and the degree of private business within the NHS cannot be separated: they go hand in hand.

In a sense, a bit of ancient history is required, because it is important to note that the previous Labour Administration reduced waiting times so much that many of the private health insurers were, frankly, complaining. Long waiting lists matter because they are also the lifeblood of the private medical industry. We need only look at the advertising slogans of many private medical insurers to see how they try to entice

[Chris Leslie]

people with promises of "speedy service" and "getting your health situation sorted out quickly". This, however, can happen in the context of NHS hospitals.

What we must do is ensure that we put the needs of NHS patients first. My worry about removing the private patient cap is that it changes the incentives relating to how the foundation trusts will work, putting revenue generation ahead of patient treatment. The allure of revenue will, of course, be there, but keeping waiting lists high is, in a sense, part of ensuring that revenue continues to come in. I want to see trusts focused absolutely and completely on reducing waiting times. That is incredibly important.

It has been interesting to hear some of the important points raised by some Government Members—and not just about state aid rules. To me, however, the issue of waiting times and, particularly, this Administration's watering down of the targets set for them and the issue of removing the patient cap are two sides of the same coin. It is all about driving people to go in a direction that they often do not want to go. People might have some savings and feel they have no choice but to use them for private provision because of the fear of long waiting lists in future. That might be the only way people feel that they can get treated quickly. It is all part of the design to change the whole fabric and nature of the NHS. That is the wrong direction in which to head, and I hope that we can retain the private patient cap.

Diana Johnson: I support amendment 1165. Although I have a great deal of respect for the Minister, his comments did not persuade me. The proposal to remove the cap is an example of the shambolic way in which the Bill has been presented. There seems to me to be very little evidence to back up what the Minister thinks might happen. He thinks that everything will be OK, but the NHS has never been in the position of having to make £20 billion-worth of efficiency savings—or cuts, which is what they really are. I believe that when the cap is removed, trusts will want to increase the income that they can obtain from private patients. My hon. Friend the Member for Warrington North (Helen Jones) made the good point that when waiting lists lengthen—which we know they are already beginning to do—those who pay will do so in order to receive the medical treatment that they want.

After 1997, NHS waiting lists in Hull fell to their lowest ever level. A private hospital that sat in the middle of an NHS trust—it was then the Hull and East Riding acute trust—was sold to the NHS. It had not been getting enough business, because the NHS was doing so well. We have heard in today's debate about the high level of support for the NHS and about the current high levels of satisfaction, and I do not think that we should take this step.

Earlier, I spoke of the lack of principles that the Liberal Democrats were exhibiting yet again in respect of the NHS. It was interesting to hear the hon. Member for Southport (John Pugh) say that he was not doctrinaire on the issue. So the hon. Gentleman has no principles, and is not doctrinaire either. I recall that, in 2010, the Liberal Democrats campaigned in my constituency on a platform of saving the NHS, not increasing the number of private patients. I think that when this measure reaches the House of Lords, Liberal Democrat peers must stand up and be counted, because it is a disgrace that Liberal Democrat Members should support it today.

My main concern relates to evidence. Where is the evidence that removing the cap will work? I do not think that the safeguards exist to ensure that NHS patients will be protected, and I know that waiting lists are rising, which means that people in my constituency, and in poorer parts of the country, will not be able to gain the access to health care that they deserve. I believe that removing the cap is entirely wrong.

Andrew George: It is a pleasure to follow the hon. Member for Kingston upon Hull North (Diana Johnson), but I do not think she did herself or her party any favours in trying to persuade my Liberal Democrat colleagues and me to follow her or her party's lead by launching a completely unacceptable attack on my hon. Friend the Member for Southport (John Pugh).

The Minister seemed to be trying to win me over by describing me as "the hon. Member for Cornwall". His description stimulated my Cornish imperialist tendencies, and I was tempted to change that to "Cornwall and bits of England". However, I shall leave it for another Bill, perhaps one relating to boundary reviews.

In his response, the Minister said that the cap was a "blunt instrument". I acknowledged that in my opening remarks: it is indeed a blunt instrument, which does not achieve what I think we all want it to achieve. However, although the current situation is not satisfactory, neither is the proposal to lift the cap. That too is a blunt instrument, as was made clear by many speakers this evening. I do not think the Minister entirely acknowledged that this is a conundrum that needs to be resolved. As I have said before, the Government are right to address the issue and are doing so with the best of intentions, but they have come up with the wrong answer. Indeed, lifting the cap is not an answer at all. Further work is needed, and deleting clause 168 would be a good start.

As I have said, mine are probing proposals. I will support amendment 1165, but I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

10 pm

Proceedings interrupted (Programme Order, this day).

Mr Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 62

Conflicts between functions

Amendments made: 88, page 86, line 23, leave out from 'sections' to 'transitional' in line 24 and insert

'117 and [Orders under section [Duration of transitional period] that apply to only some trusts] of this Act (imposition of licence conditions on NHS foundation trusts during'.

Amendment 89, page 86, line 27, leave out '116 and 117' and insert

'117 and [Orders under section [Duration of transitional period] that apply to only some trusts]'.—*(Mr Simon Burns.)*

Clause 116

DESIGNATION OF NHS FOUNDATION TRUSTS DURING TRANSITIONAL PERIOD

Amendment made: 108, page 120, line 10, leave out Clause 116.—*(Mr Simon Burns.)*

Clause 117

IMPOSITION OF LICENCE CONDITIONS ON DESIGNATED NHS FOUNDATION TRUSTS

Amendments made: 109, page 121, line 7, leave out subsection (1).

Amendment 110, page 121, line 9, leave out 'the' and insert 'an NHS foundation'.

Amendment 111, page 121, line 13, leave out 'the designation expires' and insert

'this section ceases, by virtue of section [Duration of transitional period], to have effect in relation to the trust'.

Amendment 112, page 121, line 33, leave out subsection (7).—*(Mr Simon Burns.)*

Clause 168

PRIVATE HEALTH CARE

Amendment proposed: 1165, page 159, line 24, leave out Clause 168.—*(Emily Thornberry.)*

The House divided: Ayes 239, Noes 292.

Division No. 338] [10.1 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Horwood, Martin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, Diana
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sanders, Mr Adrian
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen

Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Graham Jones and Lilian Greenwood

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Parish, Neil
Paterson, rh Mr Owen
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham

Stunell, Andrew
Sturdy, Julian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
James Duddridge and Stephen Crabb

Question accordingly negatived.

Clause 6

THE NHS COMMISSIONING BOARD

Amendment made: 404, page 3, line 36, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 7

COMMISSIONING CONSORTIA

Amendments made: 405, page 4, line 10, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

406, page 4, line 11, leave out 'Commissioning consortia' and insert 'Clinical commissioning groups'.

407, page 4, line 12, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

408, page 4, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 10

DUTIES OF CONSORTIA AS TO COMMISSIONING CERTAIN HEALTH SERVICES

Amendments made: 409, page 6, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

410, page 6, line 8, leave out 'consortium' and insert 'group'.

411, page 6, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

412, page 6, line 13, leave out 'consortium' and insert 'group'.

413, page 6, line 14, leave out 'consortium's' and insert 'group's'.

414, page 6, line 16, leave out 'consortium' and insert 'clinical commissioning group'.

415, page 6, line 18, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

416, page 6, line 21, leave out 'consortium' and insert 'group'.

417, page 6, line 22, leave out 'consortium's' and insert 'group's'.

418, page 6, line 25, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

419, page 6, line 35, leave out 'consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 11

POWER OF CONSORTIA AS TO COMMISSIONING CERTAIN HEALTH SERVICES

Amendments made: 420, page 7, line 3, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

421, page 7, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

422, page 7, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 12

POWER TO REQUIRE BOARD TO COMMISSION CERTAIN HEALTH SERVICES

Amendments made: 423, page 7, line 31, leave out 'consortia' and insert 'clinical commissioning groups'.

424, page 7, line 39, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 14

OTHER SERVICES ETC. PROVIDED AS PART OF THE HEALTH SERVICE

Amendments made: 425, page 9, line 42, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

426, page 10, line 1, leave out 'consortium' and insert 'group'.

427, page 10, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

428, page 10, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

429, page 10, line 24, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

430, page 10, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

431, page 10, line 41, leave out 'consortium' and insert 'clinical commissioning group'.

432, page 11, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 16

REGULATIONS RELATING TO EU OBLIGATIONS

Amendments made: 433, page 11, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

434, page 12, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

435, page 12, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 17

REGULATIONS AS TO THE EXERCISE OF FUNCTIONS BY THE BOARD OR CONSORTIA

Amendments made: 436, page 12, line 13, leave out 'consortia' and insert 'clinical commissioning groups'.

437, page 12, line 16, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

438, page 12, line 18, leave out 'consortia' and insert 'clinical commissioning groups'.

439, page 12, line 19, leave out 'consortia' and insert 'clinical commissioning groups'.

440, page 12, line 22, leave out 'consortia' and insert 'clinical commissioning groups'.

441, page 12, line 29, leave out 'consortia' and insert 'clinical commissioning groups'.

442, page 12, line 35, leave out 'consortium' and insert 'clinical commissioning group'.

443, page 12, line 41, leave out 'consortia' and insert 'clinical commissioning groups'.

444, page 12, line 44, leave out 'consortia' and insert 'clinical commissioning groups'.

445, page 13, line 2, leave out 'consortia' and insert 'clinical commissioning groups'.

446, page 13, line 6, leave out 'consortia' and insert 'clinical commissioning groups'.

447, page 13, line 9, leave out 'consortia' and insert 'clinical commissioning groups'.

448, page 13, line 16, leave out 'consortia' and insert 'clinical commissioning groups'.

449, page 13, line 25, leave out 'consortium' and insert 'clinical commissioning group'.

450, page 13, line 33, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

451, page 13, line 34, leave out 'consortia' and insert 'clinical commissioning groups'.

452, page 13, line 37, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

453, page 13, line 38, leave out 'consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 19

EXERCISE OF PUBLIC HEALTH FUNCTIONS OF THE SECRETARY OF STATE

Amendments made: 454, page 14, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

455, page 14, line 37, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 20

THE NHS COMMISSIONING BOARD: FURTHER PROVISION

Amendments made: 456, page 15, line 34, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

457, page 20, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

458, page 21, line 39, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

459, page 22, line 37, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 21

FINANCIAL ARRANGEMENTS FOR THE BOARD

Amendments made: 460, page 25, line 9, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

461, page 25, line 11, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

462, page 25, line 13, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

463, page 25, line 22, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

464, page 25, line 24, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

465, page 25, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

466, page 25, line 40, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

467, page 25, line 43, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

468, page 27, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 22

COMMISSIONING CONSORTIA: ESTABLISHMENT ETC.

Amendments made: 469, page 27, line 11, leave out 'Commissioning consortia' and insert 'Clinical commissioning groups'.

470, page 27, line 12, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

471, page 27, line 13, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

472, page 27, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

473, page 27, line 20, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

474, page 28, line 6, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

475, page 28, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

476, page 28, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

477, page 28, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

478, page 28, line 16, leave out 'consortium' and insert 'group'.

479, page 28, line 23, leave out 'consortium' and insert 'clinical commissioning group'.

480, page 28, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

481, page 28, line 40, leave out 'consortium' and insert 'clinical commissioning group'.

482, page 28, line 43, leave out 'consortium' and insert 'group'.

483, page 28, line 44, leave out 'consortium' and insert 'group'.

484, page 29, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

485, page 29, line 5, leave out 'consortium' and insert 'group'.

486, page 29, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

487, page 29, line 18, leave out 'commissioning consortium's' and insert 'clinical commissioning group's'.

488, page 29, line 20, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

489, page 29, line 24, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

490, page 29, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

491, page 29, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

492, page 29, line 42, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

493, page 30, line 1, leave out 'consortium' and insert 'clinical commissioning group'.

494, page 30, line 4, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

495, page 30, line 6, leave out 'consortium' and insert 'group'.

496, page 30, line 7, leave out 'consortium' and insert 'clinical commissioning group'.

497, page 30, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

498, page 30, line 17, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

499, page 30, line 18, leave out 'consortia' and insert 'groups'.

500, page 30, line 19, leave out 'consortium' and insert 'clinical commissioning group'.

501, page 30, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

502, page 30, line 23, leave out 'consortium' and insert 'group'.

503, page 30, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

504, page 30, line 34, leave out 'consortium' and insert 'group'.

505, page 31, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

506, page 31, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

507, page 31, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

508, page 31, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

509, page 31, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

510, page 31, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

511, page 31, line 19, leave out 'consortia' and insert 'clinical commissioning groups'.

512, page 31, line 20, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

513, page 31, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

514, page 31, line 22, leave out 'consortium' and insert 'group'.

515, page 31, line 24, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

516, page 31, line 27, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

517, page 31, line 31, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

518, page 31, line 33, leave out 'consortia' and insert 'clinical commissioning groups'.

519, page 31, line 34, leave out 'consortia' and insert 'clinical commissioning groups'.

520, page 31, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

521, page 31, line 37, leave out 'consortium' and insert 'group'.

522, page 32, line 2, leave out 'consortium' and insert 'clinical commissioning group'.

523, page 32, line 5, leave out 'consortium's' and insert 'group's'.

524, page 32, line 8, leave out 'consortium' and insert 'group'.

525, page 32, line 12, leave out 'consortium' and insert 'group'.

526, page 32, line 15, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

527, page 32, line 19, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

528, page 32, line 25, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

529, page 32, line 29, leave out 'consortium' and insert 'clinical commissioning group'.

530, page 32, line 34, leave out 'consortium's' and insert 'group's'.

531, page 32, line 41, leave out 'consortium's' and insert 'group's'.

532, page 32, line 42, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

533, page 32, line 44, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

534, page 33, line 2, leave out 'consortium' and insert 'clinical commissioning group'.

535, page 33, line 36, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

536, page 33, line 48, leave out 'consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 23

COMMISSIONING CONSORTIA: GENERAL DUTIES ETC.

Amendments made: 537, page 34, line 6, leave out 'consortia' and insert 'clinical commissioning groups'.

538, page 34, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

539, page 34, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

540, page 34, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

541, page 34, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

542, page 34, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

543, page 34, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

544, page 35, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

545, page 35, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

546, page 35, line 15, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

547, page 35, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

548, page 35, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

549, page 35, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

550, page 35, line 31, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

551, page 35, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

552, page 35, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

553, page 36, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

554, page 36, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

555, page 36, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

556, page 36, line 38, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

557, page 36, line 40, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

558, page 36, line 42, leave out 'consortium' and insert 'clinical commissioning group'.

559, page 36, line 46, leave out 'consortium' and insert 'group'.

560, page 37, line 2, leave out 'consortium' and insert 'group'.

561, page 37, line 7, leave out 'consortium' and insert 'group'.

562, page 37, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

563, page 37, line 15, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

564, page 37, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

565, page 37, line 24, leave out 'consortia' and insert 'clinical commissioning groups'.

566, page 37, line 25, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

567, page 37, line 28, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

568, page 37, line 30, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

569, page 37, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

570, page 37, line 34, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

571, page 37, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

572, page 37, line 37, leave out 'consortia' and insert 'clinical commissioning groups'.

573, page 37, line 40, leave out 'consortia' and insert 'groups'.

574, page 38, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

575, page 38, line 4, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

576, page 38, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

577, page 38, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

578, page 38, line 14, leave out 'consortium' and insert 'group'.

579, page 38, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

580, page 38, line 17, leave out 'consortia' and insert 'clinical commissioning groups'.

581, page 38, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

582, page 38, line 23, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

583, page 38, line 25, leave out 'consortium' and insert 'group'.

584, page 38, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

585, page 38, line 31, leave out 'consortium' and insert 'group'.

586, page 38, line 33, leave out 'consortium' and insert 'group'.

587, page 38, line 34, leave out 'consortia' and insert 'clinical commissioning groups'.

588, page 38, line 37, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

589, page 38, line 40, leave out 'consortium' and insert 'clinical commissioning group'.

590, page 39, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

591, page 39, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

592, page 39, line 4, leave out 'consortium' and insert 'clinical commissioning group'.

593, page 39, line 5, leave out 'consortium' and insert 'clinical commissioning group'.

594, page 39, line 10, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

595, page 39, line 14, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

596, page 39, line 17, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

597, page 39, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

598, page 39, line 27, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

599, page 39, line 28, leave out 'consortium' and insert 'group'.

600, page 39, line 31, leave out 'consortium' and insert 'group'.

601, page 39, line 37, leave out 'consortium' and insert 'clinical commissioning group'.

602, page 39, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

603, page 39, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

604, page 40, line 3, leave out 'consortium' and insert 'clinical commissioning group'.

605, page 40, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

606, page 40, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

607, page 40, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

608, page 40, line 20, leave out 'consortium' and insert 'group'.

609, page 40, line 23, leave out 'consortium' and insert 'group'.

610, page 40, line 27, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

611, page 40, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

612, page 40, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

613, page 40, line 32, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

614, page 40, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

615, page 40, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

616, page 40, line 40, leave out 'consortium' and insert 'group'.

617, page 41, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

618, page 41, line 4, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

619, page 41, line 6, leave out 'consortium' and insert 'group'.

620, page 41, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

621, page 41, line 10, leave out 'consortium' and insert 'group'.

622, page 41, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

623, page 41, line 20, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

624, page 41, line 22, leave out 'consortium' and insert 'clinical commissioning group'.

625, page 41, line 24, leave out 'consortium' and insert 'clinical commissioning group'.

626, page 41, line 32, leave out 'consortium' and insert 'clinical commissioning group'.

627, page 41, line 38, leave out 'consortium' and insert 'clinical commissioning group'.

628, page 41, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

629, page 41, line 43, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

630, page 42, line 3, leave out 'consortium' and insert 'group'.

631, page 42, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

632, page 42, line 21, leave out 'consortium' and insert 'clinical commissioning group'.

633, page 42, line 24, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

634, page 42, line 25, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

635, page 42, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

636, page 42, line 31, leave out 'consortium' and insert 'group'.

637, page 42, line 35, leave out 'consortium' and insert 'clinical commissioning group'.

638, page 42, line 37, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

639, page 42, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

640, page 42, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

641, page 43, line 1, leave out 'consortia' and insert 'clinical commissioning groups'.

642, page 43, line 2, leave out 'consortia' and insert 'clinical commissioning groups'.

643, page 43, line 4, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

644, page 43, line 6, leave out 'consortium' and insert 'clinical commissioning group'.

645, page 43, line 8, leave out 'consortium' and insert 'group'.

646, page 43, line 16, leave out 'consortium's' and insert 'clinical commissioning group's'.

647, page 43, line 17, leave out 'consortium' and insert 'group'.

648, page 43, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

649, page 43, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

650, page 43, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

651, page 43, line 43, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

652, page 44, line 1, leave out 'consortium' and insert 'group'.

653, page 44, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

654, page 44, line 15, leave out 'consortium' and insert 'group'.

655, page 44, line 16, leave out 'consortium' and insert 'group'.

656, page 44, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

657, page 44, line 27, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

658, page 44, line 29, leave out 'consortium' and insert 'clinical commissioning groups'.

659, page 44, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

660, page 44, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

661, page 44, line 35, leave out 'consortium' and insert 'clinical commissioning group'.

662, page 44, line 39, leave out 'consortium' and insert 'clinical commissioning group'.

663, page 44, line 40, leave out 'consortium' and insert 'group'.

664, page 45, line 2, leave out 'consortium's' and insert 'clinical commissioning group's'.

665, page 45, line 7, leave out 'consortium' and insert 'clinical commissioning group'.

666, page 45, line 13, leave out 'consortium' and insert 'clinical commissioning group'.

667, page 45, line 16, leave out 'consortium' and insert 'clinical commissioning group'.

668, page 45, line 18, leave out 'consortium' and insert 'clinical commissioning group'.

669, page 45, line 19, leave out 'consortium' and insert 'clinical commissioning group'.

670, page 45, line 20, leave out 'consortium' and insert 'group'.

671, page 45, line 23, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

672, page 45, line 25, leave out 'consortium' and insert 'group'.

673, page 45, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

674, page 45, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

675, page 45, line 30, leave out 'consortium' and insert 'group'.

676, page 45, line 32, leave out 'consortium' and insert 'clinical commissioning group'.

677, page 46, line 3, leave out 'consortium' and insert 'clinical commissioning group'.

678, page 46, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

679, page 46, line 23, leave out 'consortium' and insert 'clinical commissioning group'.

680, page 46, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

681, page 46, line 43, leave out 'consortium's' and insert 'clinical commissioning group's'.

682, page 47, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

683, page 47, line 9, leave out 'consortium' and insert 'group'.

684, page 47, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

685, page 47, line 17, leave out 'Commissioning consortia' and insert 'Clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 24

FINANCIAL ARRANGEMENTS FOR CONSORTIA

Amendments made: 686, page 47, line 18, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

687, page 47, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

688, page 47, line 22, leave out 'consortium' and insert 'group'.

689, page 47, line 23, leave out 'consortium' and insert 'group'.

690, page 47, line 25, leave out 'consortium' and insert 'clinical commissioning group'.

691, page 47, line 27, leave out 'consortium' and insert 'clinical commissioning group'.

692, page 47, line 32, leave out 'consortium' and insert 'clinical commissioning group'.

693, page 47, line 33, leave out 'consortium' and insert 'group'.

694, page 47, line 37, leave out 'consortium' and insert 'clinical commissioning group'.

695, page 47, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

696, page 48, line 3, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

697, page 48, line 7, leave out 'consortium' and insert 'clinical commissioning group'.

698, page 48, line 9, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

699, page 48, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

700, page 48, line 21, leave out 'consortium' and insert 'clinical commissioning group'.

701, page 48, line 24, leave out 'consortium' and insert 'clinical commissioning group'.

702, page 48, line 26, leave out 'consortium' and insert 'clinical commissioning group'.

703, page 48, line 28, leave out 'consortium' and insert 'group'.

704, page 48, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

705, page 48, line 34, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

706, page 48, line 36, leave out 'commissioning consortium's' and insert 'clinical commissioning group's'.

707, page 48, line 37, leave out 'consortium's' and insert 'group's'.

708, page 48, line 39, leave out 'commissioning consortium's' and insert 'clinical commissioning group's'.

709, page 48, line 40, leave out 'consortium's' and insert 'group's'.

710, page 48, line 42, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

711, page 49, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

712, page 49, line 8, leave out 'consortium' and insert 'clinical commissioning group'.

713, page 49, line 12, leave out 'consortia' and insert 'clinical commissioning groups'.

714, page 49, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

715, page 49, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

716, page 49, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

717, page 49, line 37, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

718, page 50, line 20, leave out 'consortium' and insert 'clinical commissioning group'.

719, page 50, line 25, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

720, page 50, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

721, page 50, line 27, leave out 'consortium' and insert 'group'.

722, page 50, line 30, leave out 'consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 25

REQUIREMENT FOR PRIMARY MEDICAL SERVICES PROVIDER TO BELONG TO CONSORTIUM

Amendments made: 723, page 50, line 44, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

724, page 51, line 3, leave out 'consortium' and insert 'clinical commissioning group'.

725, page 51, line 7, leave out 'consortium' and insert 'clinical commissioning group'.

726, page 51, line 17, leave out 'consortium' and insert 'clinical commissioning group'.

727, page 51, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

728, page 51, line 43, leave out 'consortium' and insert 'clinical commissioning group'.

729, page 51, line 48, leave out 'consortium' and insert 'clinical commissioning group'.

730, page 52, line 9, leave out 'consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 36

AFTER-CARE

Amendments made: 731, page 69, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

732, page 69, line 18, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

733, page 69, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

734, page 69, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

735, page 69, line 40, leave out 'consortium' and insert 'group'.

736, page 69, line 44, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

737, page 70, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

738, page 70, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

739, page 70, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

740, page 70, line 24, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

741, page 70, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 41

NOTIFICATION OF HOSPITALS HAVING ARRANGEMENTS FOR SPECIAL CASES

Amendments made: 742, page 72, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

743, page 72, line 40, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

744, page 72, line 42, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 42

ROLE OF THE BOARD AND CONSORTIA IN RESPECT OF EMERGENCIES

Amendments made: 745, page 73, line 8, leave out 'consortia' and insert 'clinical commissioning groups'.

746, page 73, line 9, leave out 'consortia' and insert 'clinical commissioning groups'.

747, page 73, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

748, page 73, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

749, page 73, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

750, page 73, line 28, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

751, page 73, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

752, page 73, line 43, leave out 'consortium' and insert 'group'.—*(Mr Simon Burns.)*

Clause 45

PRIMARY CARE SERVICES: DIRECTIONS AS TO EXERCISE OF FUNCTIONS

Amendments made: 753, page 76, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

754, page 76, line 15, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

755, page 76, line 17, leave out 'consortium' and insert 'group'.

756, page 76, line 22, leave out 'consortium' and insert 'clinical commissioning group'.

757, page 76, line 25, leave out 'consortium' and insert 'group'.

758, page 76, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

759, page 76, line 28, leave out 'consortium's' and insert 'group's'.

760, page 77, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

761, page 77, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 58

GENERAL DUTIES

Amendment made: 762, page 84, line 9, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 70

REQUIREMENTS AS TO PROCUREMENT, PATIENT CHOICE AND COMPETITION

Amendment made: 763, page 91, line 45, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 71

REQUIREMENTS UNDER SECTION 70: INVESTIGATIONS, DECLARATIONS AND DIRECTIONS

Amendments made: 764, page 92, line 24, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

765, page 92, line 27, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

766, page 92, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

767, page 92, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

768, page 92, line 45, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

769, page 93, line 8, leave out 'commissioring consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 72

REQUIREMENTS UNDER SECTION 70: UNDERTAKINGS

Amendments made: 770, page 93, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

771, page 93, line 39, leave out 'consortium' and insert 'clinical commissioning group'.

772, page 94, line 1, leave out 'consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 101

STANDARD CONDITIONS

Amendment made: 773, page 109, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 102

SPECIAL CONDITIONS

Amendment made: 774, page 110, line 15, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 105

MODIFICATION OF STANDARD CONDITIONS

Amendment made: 775, page 112, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 106

MODIFICATION REFERENCES TO THE COMPETITION COMMISSION

Amendments made: 776, page 114, line 45, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

777, page 115, line 5, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 107

MODIFICATION OF CONDITIONS BY ORDER UNDER OTHER ENACTMENTS

Amendment made: 778, page 116, line 4, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 109

POWER TO REQUIRE DOCUMENTS AND INFORMATION

Amendment made: 779, page 117, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 115

NOTIFICATION OF ENFORCEMENT ACTION

Amendment made: 780, page 120, line 1, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 123

RESPONSES TO CONSULTATION

Amendments made: 782, page 127, line 6, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

783, page 127, line 13, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

784, page 127, line 21, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 127

LOCAL MODIFICATIONS OF PRICES OF DESIGNATED SERVICES: AGREEMENTS

Amendment made: 785, page 130, line 21, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 128

LOCAL MODIFICATIONS OF PRICES OF DESIGNATE SERVICES: APPLICATIONS

Amendment made: 786, page 131, line 9, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 129

CORRECTION OF MISTAKES

Amendment made: 787, page 131, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 144

CONSULTATION

Amendment made: 788, page 141, line 24, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 191

ANNUAL REPORTS

Amendment made: 789, page 179, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 193

SCRUTINY FUNCTIONS OF LOCAL AUTHORITIES

Amendments made: 790, page 180, line 34, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

791, page 180, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 195

JOINT STRATEGIC NEEDS ASSESSMENTS

Amendments made: 792, page 183, line 13, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

793, page 183, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

794, page 183, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

795, page 183, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

796, page 183, line 25, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

797, page 183, line 28, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

798, page 183, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

799, page 183, line 42, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

800, page 183, line 43, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

801, page 184, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

802, page 184, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 196

JOINT HEALTH AND WELLBEING STRATEGIES

Amendments made: 803, page 184, line 15, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

804, page 184, line 16, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

805, page 184, line 19, leave out 'consortia' and insert 'clinical commissioning groups'.

806, page 184, line 22, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

807, page 184, line 27, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

808, page 184, line 33, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

809, page 184, line 39, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

810, page 185, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

811, page 185, line 8, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

812, page 185, line 11, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

813, page 185, line 20, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 197

ESTABLISHMENT OF HEALTH AND WELLBEING BOARDS

Amendments made: 814, page 185, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

815, page 186, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

816, page 186, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

817, page 186, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

818, page 186, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

819, page 186, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 199

OTHER FUNCTIONS OF HEALTH AND WELLBEING BOARDS

Amendment made: 820, page 187, line 31, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 203

CARE TRUSTS

Amendments made: 821, page 189, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

822, page 190, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

823, page 190, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 237

QUALITY STANDARDS

Amendment made: 824, page 225, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 253

POWERS TO PUBLISH INFORMATION STANDARDS

Amendment made: 825, page 233, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 257

POWERS TO DIRECT INFORMATION CENTRE TO ESTABLISH INFORMATION SYSTEMS

Amendment made: 826, page 235, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 283

SPECIAL NOTICES OF BIRTHS AND DEATHS

Amendment made: 827, page 247, line 14, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Clause 284

PROVISION OF INFORMATION BY REGISTRAR GENERAL

Amendment made: 828, page 247, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 286

PROVISION OF STATISTICAL INFORMATION BY STATISTICS BOARD

Amendments made: 829, page 248, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

830, page 249, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 297

ADVICE OR ASSISTANCE TO PUBLIC AUTHORITIES IN THE ISLE OF MAN OR CHANNEL ISLANDS

Amendments made: 831, page 254, line 37, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

832, page 254, line 42, leave out 'consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Clause 300

TRANSFER SCHEMES: SUPPLEMENTAL

Amendment made: 833, page 257, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Schedule 1

THE NATIONAL HEALTH SERVICE COMMISSIONING BOARD

Amendments made: 834, page 267, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

835, page 268, line 13, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.—*(Mr Simon Burns.)*

Schedule 2

COMMISSIONING CONSORTIA

Amendments made: 836, page 269, line 4, leave out 'Commissioning consortia' and insert 'Clinical commissioning groups'.

837, page 269, line 6, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

838, page 269, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

839, page 269, line 10, leave out 'consortium' and insert 'clinical commissioning group'.

840, page 269, line 11, leave out 'consortium' and insert 'group'.

841, page 269, line 12, leave out 'consortium' and insert 'group'.

842, page 269, line 13, leave out 'consortium' and insert 'group'.

843, page 269, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

844, page 269, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

845, page 269, line 23, leave out 'commissioning consortium' and insert 'group'.

846, page 269, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

847, page 269, line 29, leave out 'consortium' and insert 'group'.

848, page 269, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

849, page 269, line 34, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

850, page 269, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

851, page 269, line 37, leave out 'consortium' and insert 'group'.

852, page 270, line 1, leave out 'commissioning consortium in the exercise of the consortium's' and insert 'clinical commissioning group in the exercise of the group's'.

853, page 270, line 3, leave out 'consortia' and insert 'clinical commissioning groups'.

854, page 270, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

855, page 270, line 19, leave out 'consortium' and insert 'clinical commissioning group'.

856, page 270, line 28, leave out 'consortium' and insert 'clinical commissioning group'.

857, page 270, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

858, page 270, line 41, leave out 'consortium' and insert 'clinical commissioning group'.

859, page 271, line 6, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

860, page 271, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

861, page 271, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

862, page 271, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

863, page 271, line 15, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

864, page 271, line 16, leave out 'consortium' and insert 'group'.

865, page 271, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

866, page 271, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

867, page 271, line 26, leave out 'consortium' and insert 'clinical commissioning group'.

868, page 271, line 31, leave out 'consortium's' and insert 'clinical commissioning group's'.

869, page 271, line 34, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

870, page 271, line 37, leave out 'consortium' and insert 'clinical commissioning group'.

871, page 272, line 2, leave out 'consortium' and insert 'clinical commissioning group'.

872, page 272, line 3, leave out 'consortium' and insert 'group'.

873, page 272, line 5, leave out 'consortia' and insert 'groups'.

874, page 272, line 6, leave out 'consortia' and insert 'groups'.

875, page 272, line 7, leave out 'consortium' and insert 'group'.

876, page 272, line 8, leave out 'consortium' and insert 'group'.

877, page 272, line 9, leave out 'consortia' and insert 'groups'.

878, page 272, line 10, leave out 'consortia' and insert 'groups'.

879, page 272, line 11, leave out 'consortium' and insert 'clinical commissioning group'.

880, page 272, line 12, leave out 'consortia' and insert 'groups'.

881, page 272, line 13, leave out 'consortium or any of the consortia' and insert 'group or any of the groups'.

882, page 272, line 16, leave out 'consortium' and insert 'clinical commissioning group'.

883, page 272, line 17, leave out 'consortia' and insert 'groups'.

884, page 272, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

885, page 272, line 31, leave out 'consortium' and insert 'group'.

886, page 273, line 3, leave out 'consortium' and insert 'clinical commissioning group'.

887, page 273, line 5, leave out 'consortium' and insert 'clinical commissioning group'.

888, page 273, line 14, leave out 'consortium' and insert 'clinical commissioning group'.

889, page 273, line 19, leave out 'consortium' and insert 'clinical commissioning group'.

890, page 273, line 25, leave out 'consortium' and insert 'clinical commissioning group'.

891, page 273, line 26, leave out 'consortium' and insert 'clinical commissioning group'.

892, page 273, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

893, page 273, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

894, page 273, line 34, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

895, page 273, line 37, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

896, page 274, line 6, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

897, page 274, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

898, page 274, line 18, leave out 'consortium' and insert 'clinical commissioning group'.

899, page 274, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

900, page 274, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

901, page 274, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

902, page 274, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

903, page 275, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

904, page 275, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

905, page 275, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.—*(Mr Simon Burns.)*

Schedule 3

PHARMACEUTICAL REMUNERATION

Amendments made: 906, page 276, line 14, leave out 'consortia' and insert 'clinical commissioning groups'.

907, page 276, line 20, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

908, page 276, line 24, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

909, page 276, line 29, leave out 'consortium' and insert 'clinical commissioning group'.

910, page 276, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

911, page 276, line 33, leave out 'consortium' and insert 'group'.

912, page 276, line 35, leave out 'consortium' and insert 'group'.

913, page 277, line 1, leave out 'consortium' and insert 'clinical commissioning group'.

914, page 277, line 5, leave out 'consortium' and insert 'clinical commissioning group'.

915, page 277, line 6, leave out 'consortium' and insert 'group'.—*(Mr Simon Burns.)*

Schedule 4

AMENDMENTS OF THE NATIONAL HEALTH SERVICE ACT 2006

Amendments made: 916, page 277, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

917, page 278, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

918, page 278, line 12, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

919, page 278, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

920, page 279, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

921, page 279, line 19, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

922, page 279, line 39, leave out 'consortia' and insert 'clinical commissioning groups'.

923, page 279, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

924, page 280, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

925, page 280, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

926, page 280, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

927, page 280, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

928, page 281, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

929, page 281, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

930, page 282, line 12, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

931, page 283, line 6, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

932, page 283, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

933, page 283, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

934, page 283, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

935, page 283, line 34, leave out 'consortium' and insert 'clinical commissioning group'.

936, page 283, line 36, leave out 'consortium' and insert 'group'.

937, page 283, line 38, leave out 'consortium' and insert 'group'.

938, page 283, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

939, page 284, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

940, page 284, line 12, leave out 'consortium' and insert 'clinical commissioning group'.

941, page 284, line 14, leave out 'consortium' and insert 'group'.

942, page 284, line 16, leave out 'consortium' and insert 'group'.

943, page 284, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

944, page 284, line 34, leave out 'consortium' and insert 'clinical commissioning group'.

945, page 284, line 39, leave out 'consortia' and insert 'clinical commissioning groups'.

946, page 286, line 14, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

947, page 287, line 18, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

948, page 299, line 24, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

949, page 299, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

950, page 299, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

951, page 299, line 37, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

952, page 300, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

953, page 300, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

954, page 300, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

955, page 301, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

956, page 301, line 25, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

957, page 301, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

958, page 301, line 34, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

959, page 302, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

960, page 302, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

961, page 302, line 13, leave out 'consortium' and insert 'clinical commissioning group'.

962, page 302, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

963, page 302, line 34, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

964, page 302, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

965, page 302, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

966, page 303, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

967, page 303, line 42, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

968, page 304, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

969, page 304, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

970, page 304, line 33, leave out 'consortium' and insert 'clinical commissioning group'.

971, page 304, line 36, leave out 'consortium' and insert 'clinical commissioning group'.

972, page 305, line 4, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

973, page 305, line 7, leave out 'consortium' and insert 'clinical commissioning group'.

974, page 305, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

975, page 306, line 4, leave out '"commissioning consortium" means a commissioning consortium' and insert '"clinical commissioning group" means a body'.

976, page 306, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.— *(Mr Simon Burns.)*

Schedule 5

PART 1: AMENDMENTS OF OTHER ENACTMENTS

Amendments made: 977, page 307, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

978, page 307, line 18, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

979, page 307, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

980, page 307, line 30, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

981, page 307, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

982, page 307, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

983, page 308, line 18, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

984, page 308, line 23, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

985, page 308, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

986, page 308, line 40, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

987, page 309, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

988, page 309, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

989, page 309, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

990, page 309, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

991, page 310, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

992, page 310, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

993, page 310, line 41, leave out '"commissioning consortium" means a commissioning consortium' and insert '"clinical commissioning group" means a body'.

994, page 311, line 17, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

995, page 311, line 27, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

996, page 312, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

997, page 312, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

998, page 312, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

999, page 312, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1000, page 312, line 23, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1001, page 312, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1002, page 313, line 23, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1003, page 313, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1004, page 313, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1005, page 314, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1006, page 315, line 4, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1007, page 315, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1008, page 315, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1009, page 315, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1010, page 315, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1011, page 315, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1012, page 316, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1013, page 316, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1014, page 316, line 18, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1015, page 316, line 21, leave out 'consortium' and insert 'clinical commissioning group'.

1016, page 316, line 25, leave out '"commissioning consortium" means a commissioning consortium' and insert '"clinical commissioning group" means a body'.

1017, page 316, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1018, page 316, line 46, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1019, page 318, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1020, page 318, line 18, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1021, page 319, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1022, page 319, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1023, page 319, line 23, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1024, page 319, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1025, page 319, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1026, page 320, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1027, page 320, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1028, page 320, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1029, page 321, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1030, page 321, line 6, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1031, page 321, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1032, page 321, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1033, page 321, line 19, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1034, page 321, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1035, page 321, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1036, page 321, line 40, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1037, page 322, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1038, page 322, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1039, page 323, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1040, page 323, line 11, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1041, page 323, line 28, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1042, page 323, line 32, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1043, page 323, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1044, page 324, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1045, page 325, line 23, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1046, page 325, line 27, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1047, page 325, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1048, page 325, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1049, page 326, line 8, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1050, page 326, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1051, page 326, line 29, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1052, page 326, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1053, page 327, line 6, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1054, page 327, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1055, page 329, line 5, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1056, page 329, line 15, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1057, page 329, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1058, page 330, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1059, page 330, line 9, leave out 'consortium' and insert 'clinical commissioning group'.

1060, page 330, line 15, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1061, page 330, line 33, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1062, page 331, line 2, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1063, page 331, line 30, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1064, page 331, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1065, page 332, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1066, page 332, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.— *(Mr Simon Burns.)*

1067, page 332, line 25, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1068, page 332, line 31, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1069, page 333, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1070, page 333, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1071, page 333, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1072, page 333, line 23, leave out 'consortium' and insert 'clinical commissioning group'.

1073, page 333, line 35, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1074, page 333, line 40, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1075, page 334, line 6, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1076, page 334, line 20, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1077, page 334, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1078, in schedule 22, page 334, line 42, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1079, in schedule 5, page 335, line 9, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1080, page 335, line 39, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1081, page 336, line 12, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1082, page 336, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.— *(Mr Simon Burns.)*

Schedule 6

PART 1: TRANSITIONAL PROVISION

Amendments made: 1083, page 338, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1084, page 338, line 6, leave out 'consortium' and insert 'group'.

1085, page 338, line 8, leave out 'consortium' and insert 'group'.

1086, page 338, line 13, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1087, page 338, line 14, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1088, page 338, line 15, leave out 'consortium' and insert 'group'.

1089, page 338, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1090, page 338, line 20, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1091, page 338, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1092, page 338, line 38, leave out 'consortium' and insert 'clinical commissioning group'.

1093, page 338, line 39, leave out 'consortium' and insert 'group'.

1094, page 338, line 43, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1095, page 339, line 1, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1096, page 339, line 3, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1097, page 339, line 8, leave out 'consortium' and insert 'group'.

1098, page 339, line 13, leave out 'commissioning consortium under which the consortium' and insert 'clinical commissioning group under which the group'.

Schedule 22

AMENDMENTS RELATING TO RELATIONSHIPS BETWEEN THE HEALTH SERVICES

1099, page 408, line 28, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1100, page 411, line 21, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1101, page 412, line 5, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1102, page 412, line 9, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1103, page 412, line 18, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1104, page 412, line 27, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1105, page 412, line 33, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.

1106, page 412, line 38, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1107, page 414, line 16, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1108, page 414, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1109, page 414, line 26, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1110, page 414, line 36, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1111, page 414, line 41, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1112, page 415, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1113, page 416, line 34, leave out 'commissioning consortia' and insert 'clinical commissioning groups'.— *(Mr Simon Burns.)*

Schedule 23

PROPERTY TRANSFER SCHEMES

Amendments made: 1114, page 417, line 10, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1115, page 417, line 29, leave out 'commissioning consortium' and insert 'clinical commissioning group'.— *(Mr Simon Burns.)*

Schedule 24

STAFF TRANSFER SCHEMES

Amendments made: 1116, page 419, line 7, leave out 'commissioning consortium' and insert 'clinical commissioning group'.

1117, page 419, line 22, leave out 'commissioning consortium' and insert 'clinical commissioning group'.— *(Mr Simon Burns.)*

Title

Amendment made: 403, line 2 leave out 'commissioning consortia' and insert 'clinical commissioning groups'.— *(Mr Simon Burns.)*

Bill to be further considered tomorrow.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ENVIRONMENTAL PROTECTION

That the draft Landfill (Maximum Landfill Amount) Regulations 2011, which were laid before this House on 15 June, be approved.—*(Mr Newmark.)*

Question agreed to.

Mr Speaker: With the leave of the House, we shall take motions 5 and 6 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CONSTRUCTION

That the draft Scheme for Construction Contracts (England and Wales) Regulations 1998 (Amendment) (England) Regulations 2011, which were laid before this House on 27 June, be approved.

That the draft Construction Contracts (England) Exclusion Order 2011, which was laid before this House on 27 June, be approved.—*(Mr Newmark.)*

Question agreed to.

NORTHERN IRELAND GRAND COMMITTEE

Ordered,

That—

(1) the matter of re-balancing the economy in Northern Ireland be referred to the Northern Ireland Grand Committee;

(2) the Committee shall meet at Westminster on Tuesday 1 November at 4.30 pm; and

(3) at that sitting–

(a) the Committee shall take questions under Standing Order No. 110 (Northern Ireland Grand Committee (questions for oral answer)), and shall then consider the matter referred to it under paragraph (1) above;

(b) the chair shall interrupt proceedings not later than two and a half hours after the commencement of proceedings on the matter referred to the Committee; and

(c) at the conclusion of those proceedings, a motion for the adjournment of the Committee may be made by a Minister of the Crown, pursuant to paragraph (5) of Standing Order No. 116 (Northern Ireland Grand Committee (sittings)).—*(Mr Newmark.)*

Metal Thefts (Electricity Industry)

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Newmark.)*

10.16 pm

Graham Jones (Hyndburn) (Lab): I start by declaring an interest, as my partner and my son are employees of Electricity North West and it is her and her colleagues' constant concerns that have drawn my attention to this very serious matter.

The increase in metal theft in the UK and elsewhere in the past few years has been alarming. Electricity North West has seen a 40-fold increase in thefts over the past 10 years and there is a growing body of opinion that those involved in organised crime, buttered by the benefits of high scrap prices for copper, aluminium and brass, have a free hand without disruption to steal, sell and profit.

The shocking figures speak for themselves. In 2009 there were about 100 reported metal thefts per month according to the Energy Networks Association, which represents the electricity and gas network and utility companies. Two years later, in 2011, that figure has risen to 700 thefts per month, and in one calendar month—March this year—it rose to a record 900 reported thefts. We can contrast that with March 2009, when there were around 70 thefts. That is an increase of more than 1000% in two years.

The Association of Chief Police Officers put the annual cost of metal theft to the communications, energy, transport and water industries at £770 million per annum. It is not just electricity that is being targeted, however. The Energy Networks Association and Electricity North West both believe organised crime is involved and thieves are stealing from telecommunications, gas and water infrastructure, rail and tramways, local authority street furniture, such as manhole covers and gates, housing, schools and other buildings. BT reported in October last year that it had had 900 cable theft attacks on its network in the previous six months, affecting more than 100,000 customers. Virgin Media says that the cutting of cables in Teesside alone has cost £166,000 and 1,700 stolen back-up batteries have cost the company a further £680,000. The British Transport Police estimate that over the last three years cable theft has cost the rail industry £43 million and led to more than 16,000 hours of delays. There is evidence that the theft of gates from railway stations is leaving rail networks dangerously exposed. Metal thefts affecting the supply of gas equipment have resulted in fires and explosions.

There is a human consequence to all these thefts. I visited Electricity North West and was told by staff that there is daily worry about people's safety as a result of metal theft. Innocent children gain access to unsecure substations. Customers receive dangerous high voltages. There is danger to those illegally entering substations and a danger to staff undertaking routine maintenance.

Just over two months ago a 16-year-old boy died in an electricity substation. This happened in the course of an alleged theft of copper cable. According to the Energy Networks Association, there have been four such deaths so far and at least 50 injured. In June this year, many saw the BBC TV news item of a Leeds man with electricity cable burns from a 21,000 V strike from

a live power line—burns so bad his own daughter did not recognise him in hospital. The impact blew part of his skull off, leaving his brain exposed. Leeds magistrates gave him a 12-month community service order for burglary.

The reality is that on a daily basis thefts are taking place against our national energy infrastructure across the UK. These are malicious and leave sites unsafe as well as causing disruption to the public and the economy. These thefts have led to 750 cases of loss of supply to at least 25,000-plus homes. Of these there were over 2,500 cases involving damage to customers' TVs, computers and boilers as a result of the outages. In addition there have been 23 environmental incidents and at least 60 fires. A recent theft in Yorkshire cost local residents and insurers over £500,000 in broken electrical equipment and boilers as a result of a theft of just £40 of copper when customers' voltage rose from 240 V to a dangerous 430 V.

In Castleford two houses blew up after the neutral wire was removed, resulting in a 430 V current in a cooker burning through a gas pipe. The incident was caught on video; it is lucky no one was home. Until this year, thefts had been mainly from substations, but Electricity North West, like elsewhere, has seen an increase in thefts of overhead line wires from the top of 30 metre pylons carrying 132,000 V. In one incident in Chadderton recently a business owner noticed that a power line had collapsed on to his roof when he arrived for work. The thieves had climbed up an electricity pylon and cut the wire. The thieves did this at two further pylons, managing to steal two 400-yard lengths of copper cable. The nearby Crown Business Centre at Failsworth has been hit five times by copper thieves this year, frequently leaving their telephone lines down. Nothing is stopping the thieves. Only days after the Chadderton theft, thieves struck in Middleton where National Grid discovered that another piece of copper cabling running between two tall pylons had been cut down.

In Accrington this week, thieves have even taken to stealing the brass locks from numerous substations leaving them accessible to inquisitive young children. Earlier this year, the theft of a £5 brass valve from an oil-filled transformer resulted in 30,000 litres of oil leaking out. Luckily, this was contained within the site, but if it had not been, it might easily have caused road accidents or damaged the local environment.

Every day ENW suffers theft. Some substations are robbed repeatedly, where even electrified fencing has failed to keep the thieves out. Only last month and for the first time, National Grid suffered the theft of the earth wire from one of the larger pylons carrying a 275,000 V power line. The anti-climbing guard was cut and the pylon was climbed in broad daylight. The earth wire was cut, fell to ground and was then cut up. That all requires specialist knowledge and cutting gear.

The earth wire could easily have fallen on to the live wires below, which could have disrupted the supply of electricity to in excess of 100,000 people. Had it been one of the largest pylons carrying 400,000 V, then this figure would have disrupted electricity supply to some 500,000 people.

Frankly, the police and the Home Office have not taken the issue seriously enough. The paltry amount of Government focus on metal theft and a lack of consistent police action across the country have quietly allowed serious organised criminal groups to muscle in on an increasingly lucrative trade. We are talking about the organised thieves with protected rounds who cruise my back alley each week—and other back alleys in Haslingden and Hyndburn—and expert criminals with know-how. The Government must take the issue seriously; I ask the Minister to consider it at the Energy Emergencies Executive Committee.

In March, two men were sentenced to 20 months for the theft of metal from two substations in Kent. The theft caused £125,000-worth of damage for copper that was estimated at less than £100 in value. The reality is that apprehension for metal theft is rare. If the thief is caught, the offence is punishable only under the Theft Act 1968. While most thefts do thousands of pounds-worth of damage, the law considers only the scrap value, which is a few pounds, and the result is usually just a community sentence, which is completely disproportionate to the consequences of the crime. Metal theft from Electricity North West's network costs customers approximately £2 million a year.

The electricity and gas industry network companies can only do so much to address the problem. Safety remains their paramount concern. They are making infrastructure as secure as possible, but there are hundreds of thousands of individual sites. In the UK, companies and industries have attempted to deal with the issue by deploying various types of defence, including closed circuit television, forensic marking systems, improved building security, locking and fencing, including electrified fencing, which is used in my area.

Even close collaboration with the police, of the kind that takes place in Greater Manchester, has not stemmed the increase in theft. It appears simply to move the crime to another area, company or private property. It has proved almost impossible to prevent metal theft in a cost-effective way. No industry affected by such crimes has found an effective and enforceable system to deal with the receivers of the metals or deter the perpetrators. With copper prices at £6,000 per tonne, and sky-high aluminium prices, Electricity North West believes that the majority of the metal stolen from its network is either stolen to order and sold through poorly regulated scrap dealers, or bulked at a predetermined location and exported to overseas foundries.

At a recent visit to a reputable wholesale scrap metal dealer, Electricity North West found on site some of its equipment, which had been stolen and had entered the cash-only, no-questions-asked system. The UK is at risk from theft tourism, as our European counterparts are implementing robust regulatory systems governing how metals may be bought and traded. That means that organised crime may choose the UK as a soft option for metal theft. France and Belgium are implementing a process of cashless transactions for scrap metal, and other countries are beginning to address the problem. It is clear that current legislation is not fit for purpose. Even allowing for the redoubling of efforts by companies, metal theft continues to rise at an alarming rate.

There is overwhelming evidence that the Government need to focus on the supply chain, and to reclassify criminal deterrents so that the sentence fits the crime. There must be a focus on the people to whom the thieves sell their stolen metal; they are not always scrap metal dealers. As Electricity North West found out, we

[Graham Jones]

may be talking about a container collection point beside the motorway, for movement out of Hull sea port. It is therefore imperative that we close down all means of disposal of stolen metal, and do not just target scrap metal dealers.

So far, the Government have stood idly by, relying on legislation from the age of "Steptoe and Son". They seem incapable of taking, or unwilling to take, reasonable steps to stamp out criminality and organised crime, despite the warm words of Baroness Browning. The Scrap Metal Dealers Act is from 1964. It imposes no obligation on scrap metal dealers to comply with the law; in fact, it does the opposite. Those who register under the Act can be visited by the police, while those who do not need be visited only if there is a reasonable suspicion that they have stolen metal on their site. That is ridiculous.

I call on the Government to consider making the following changes. They should amend the Scrap Metal Dealers Act 1964. Instead of the current registration scheme, the UK needs a robust licensing regime, with scrap metal dealers paying a licence fee to fund the regulation of the licence. Property obtained through theft should be regarded as criminal assets; that would allow the provisions in the Proceeds of Crime Act 2002 to apply. In line with alcohol licensing powers, police authorities should have the power to search and investigate all premises owned and operated by a scrap metal dealer, and to close scrap metal dealers where criminally obtained materials are discovered. We should restrict trade in scrap metals to cashless payments, and introduce a requirement that scrap metal must not be sold or processed until payments have been cleared. Photo identification and CCTV should be used to identify sellers of scrap and their vehicles. Magistrates should have powers to add licence restrictions and prevent closed yards from re-opening, and criminal gangs should be charged in a way that is proportionate to the consequences of the crime, not the scrap metal value. I ask the Minister to use all his efforts to ensure that something is done before it is too late.

10.29 pm

The Minister of State, Department of Energy and Climate Change (Charles Hendry): I congratulate the hon. Member for Hyndburn (Graham Jones) on securing the debate and thank him for the well researched, thoughtful and constructive way in which he addressed the subject. He has undoubtedly highlighted an issue that is growing in occurrence and severity, and he is right to say that more needs to be done. I hope to set out how we intend to go about dealing with it. I am grateful to the hon. Gentleman for raising the matter today.

In my response I shall focus on three things—the risks posed by metal theft to the electricity industry, what we are currently doing to tackle metal theft in the electricity industry, and how the Government propose to tackle the problem in the future. Let me be clear that the Government fully recognise the serious consequences of metal theft. This is not a victimless crime, as the hon. Gentleman made clear. As he said, a young teenager was recently killed attempting to steal copper cable from a substation in Leeds. That is a terrible thing for all concerned to deal with, and unfortunately was just one of several fatalities that occurred over the past year, along with countless injuries to the thieves themselves and the risk to engineers who are called out in the middle of night to make safe equipment that has been damaged.

It is not only those lives that are put at risk, but those of innocent householders whose appliances can be damaged or catch fire because of a metal theft in their area. The lives of our emergency services attending fires caused by metal theft are also at risk. I, too, was shocked to see the recent footage of a gas explosion at a house fire in Castleford on 8 July. It appeared to me that it was only by pure luck that the firefighters in attendance avoided death or at least serious injury.

Lives lost are not the only consequence of metal theft, as the hon. Gentleman pointed out. Across the energy sector, the main risks are disruption to electricity supplies affecting businesses, households and communities; risks to public safety, including through the loss of communications—999 calls, for example, loss of street lighting, traffic lights and safety-related equipment; and financial losses to businesses. Metal theft does not affect only the energy sector. For example, only this morning thousands of commuters from the south-east, including many from my constituency, were subjected to severe disruption when metal thieves stole 50 metres of signalling cable in the London Bridge area.

I understand that Network Rail has provisionally estimated that the cost of this incident is likely to run well into hundreds of thousands of pounds. Sadly, such thefts cause misery for thousands of commuters, cause damage to the economy and are out of all proportion to the value of the cable stolen. This evening I spoke to the Under-Secretary of State for Transport, my hon. Friend the Member for Lewes (Norman Baker), about that mindless, irresponsible and utterly foolish attack on the rail network. We are like-minded in our resolve to take action to tackle the problem, and a meeting has already been convened for Ministers across Departments next week to discuss the issue and all its ramifications.

The hon. Gentleman mentioned an incident that occurred in July 2009 in the area around Dartford in Kent, where up to 100,000 properties were left without power as a result of a suspected attempt to steal metal from four 132 kV copper cables. The extent of the damage meant that it took EDF four days to restore supplies fully, causing widespread disruption to homes and local businesses. Ironically, though this incident cost hundreds of thousands of pounds in damage, compensation and goodwill payments, it is thought that no metal was actually stolen.

Owing at least in part to increasing commodity prices, the electricity industry continues to see an increase in the number of incidents of metal thefts experienced across its networks. Figures supplied by the Energy Networks Association, which hosts the security incident reporting system, show that the average number of incidents per month for 2010 was 440. By July this year, after only seven months of data, the electricity industry is experiencing on average 627 attacks every month.

The exact cost to the United Kingdom of metal theft is difficult to ascertain. There is significant under-reporting of incidents and it is not possible to identify and record every cost associated with an incident. In 2010-11,

between 80,000 and 100,000 metal theft-related offences were recorded by police. Last year, the Association of Chief Police Officers estimated that the cost of metal theft to the United Kingdom was £777 million a year. The victims cover all sectors of the community, from power and communication supplies and the rail network to local communities, with church roofs and street furniture being stolen.

As we know, and as the hon. Gentleman rightly pointed out, metal theft is driven by a range of factors. Metal is a sought-after commodity, with prices increasing steadily. Current prices on the global exchanges put the value of copper at between £5,500 and £6,000 a tonne. The expectation is that commodity prices will continue to rise in coming years, so we can assume that the incidence of metal theft will continue to rise unless action is taken, which is what we are determined to do.

We take the issue very seriously. Through the security task force of the Energy Emergencies Executive, the Department of Energy and Climate Change and the electricity network operators meet regularly to discuss a range of security issues, and metal theft is a standing item on the agenda. The chair of the task force also represents the electricity sector at the Association of Chief Police Officers' metal theft working group. Working with the Home Office, we have secured the inclusion of metal theft in its recently published organised crime strategy "Local to Global: reducing the risk from organised crime", which shows that we share the hon. Gentleman's view that organised crime is involved in this activity.

The inclusion of metal theft in the organised crime strategy will help to raise the profile of this increasing problem across several critical national infrastructure sectors, including energy, and increase the priority it is given by relevant enforcement agencies. The multi-agency ACPO metal theft working group, which is chaired by British Transport police, has developed a new strategy to tackle metal theft. The working group comprises members from across law enforcement, the utilities sector and Government Departments.

The new strategy covers four objectives: increasing the effort required to steal metal; increasing the risk to offenders; reducing the ease and rewards for offenders selling stolen metal; and increasing the risk for scrap metal dealers of handling stolen material. Progress is being made on a number of actions from this strategy, ranging from developing metal alternatives and considering how to make metals more difficult to steal, which is very much a longer-term action, to developing a more co-ordinated law enforcement approach and intelligence sharing across the utilities sector and police forces on a regional basis.

Although individual progress is being made by police forces and the electricity industry to tackle metal theft, we are conscious that more effort is required if we are to address this problem seriously across all critical national infrastructure sectors. The Government are looking at what more can be done. Discussions, led by the Home Office as the lead Department for crime prevention, are under way with a number of Departments, including DECC, to identify further options for tackling metal theft.

At the recent parliamentary event to which the hon. Gentleman referred, hosted by the Energy Networks Association, my noble Friend Baroness Browning set out the Home Office's proposals for taking this work forward. This focused on a number of key areas. First, it focused on exploring the feasibility of introducing tighter regulations on the scrap metal industry in order to tackle the ready market for stolen metals. This includes, as he has asked, looking at modernising the Scrap Metal Dealers Act 1964, which does not reflect the current £5.6 billion scrap metal recycling industry. It will also include looking at amending and improving the existing scrap metal dealer registration regime.

Graham Jones: I appreciate the Minister giving way on this point and the fact that he is looking at amending the legislation. Will he indicate when he thinks legislation might be brought in to have an impact on scrap metal dealers, or give a time frame?

Charles Hendry: The first priority, as I am sure the hon. Gentleman understands, is to decide what are the best courses of action and determine what needs primary legislation and what can be done through secondary legislation. We are at the stage before that, but I hope that I am showing him that, with the new Minister, Baroness Browning, coming in, a great sense of urgency is being given to the sort of solution he has been highlighting.

Baroness Browning also spoke about closer links to environmental legislation and the licensing requirements for waste management and the need for more stringent identification requirements when selling metal, to identify both the seller and the owner of the material. The current regime requires little more than any name written down on the dealer's records. The power to close scrap metal yards where there is clear evidence of sustained illegal activity is being considered, as is the possibility of moving away from cash as a method of payment for this industry, thereby removing the perceived easy access to cash. We are absolutely looking at the issue the hon. Gentleman has highlighted. If there are any other issues on the list he set out, I will ensure that they are on the agenda for the meeting so that we look at the full range of possible options.

Jim Shannon (Strangford) (DUP): There seems to be an insatiable demand for scrap metal in other parts of the world. Like many others in the Chamber, I suspect that the metals are ending up in the far east. Does the Minister intend to have more stringent export controls?

Charles Hendry: Part of the purpose of looking at the issue as an organised crime activity is that it gives us a much greater ability to look at it internationally. The hon. Member for Hyndburn highlighted how action is being taken in other European countries, and there is certainly a need for an international co-ordination of approaches—better understanding and better information sharing—so that when things are happening through an international chain, we can pursue them and make sure that the relevant people are brought to justice in the most appropriate regime.

The Government have no desire to target or hinder the perfectly legitimate and valuable green economy work undertaken by the vast majority of law-abiding scrap metal dealers. However, elements of the industry are facilitating the theft of metals, and steps must be taken to shut such disposal routes.

[Charles Hendry]

I thank the hon. Member for Hyndburn for securing this important debate. I assure him and the House that the Government take the issue very seriously. We will be having the meeting next week, on a cross-departmental basis, and the issues that he has highlighted will be addressed then. As I have explained, we are determined to address the issue, which is causing massive inconvenience, great threats and a really serious challenge to people working in the industry.

Question put and agreed to.

10.41 pm

House adjourned.

House of Commons

Wednesday 7 September 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

PARLIAMENTARY COMMISSIONER FOR ADMINISTRATION AND HEALTH SERVICE COMMISSIONER FOR ENGLAND (ANSWER TO ADDRESS)

The VICE-CHAMBERLAIN OF THE HOUSEHOLD reported to the House a message from Her Majesty, as follows:

I have received your Humble Address praying that I should appoint Dame Julie Mellor to the offices of Parliamentary Commissioner for Administration and Health Service Commissioner for England. I will comply with your request.

TRANSPORT FOR LONDON (SUPPLEMENTAL TOLL PROVISIONS) BILL *[LORDS] (BY ORDER)*

Second Reading opposed and deferred until Wednesday 14 September (Standing Order No. 20).

Oral Answers to Questions

CABINET OFFICE

The Minister for the Cabinet Office was asked—

Big Society Bank

1. **James Morris** (Halesowen and Rowley Regis) (Con): What progress he has made on establishing the big society bank. [69980]

The Minister of State, Cabinet Office (Mr Oliver Letwin): I am delighted to be able to tell my hon. Friend that we are making excellent progress in establishing the big society bank. I am equally delighted to be able to tell him that it will be called the Big Society Capital group.

Big Society Capital announced appointments to the management and board in July. It is now securing Financial Services Authority and state-aid approval, and we expect it to be open for business in the spring.

James Morris: Does the Minister agree that the most important thing about the initiative is that it gets funding to organisations in some of the most deprived communities in my constituency?

Mr Letwin: My hon. Friend is a noted, effective and passionate advocate of his constituency. It is of course for Big Society Capital itself to decide exactly where it places its investment funds, but I have absolutely no doubt that it will want to prioritise social intermediaries who focus on those families who are most vulnerable, and on those individuals and families who are most in need of help.

Albert Owen (Ynys Môn) (Lab): Community groups, including not-for-profit organisations, have difficulty establishing community projects because of the complexity of the system to secure funding. Will the big society bank have a dedicated officer to help and assist them, so that small projects in deprived communities have a level playing field?

Mr Letwin: The hon. Gentleman raises a very real problem, which Big Society Capital has recognised. Right from the beginning of the scheme's design, Sir Ronald Cohen has insisted, and Ministers have agreed, that it should not directly invest in social enterprises but act as a provider of finance to social intermediaries—whether they are lending banks such as Triodos or other more exotic and interesting new social intermediaries—that already have a retail function and can deal, and know how to deal, with the small groups that need to deal with them.

Government Contracts

2. **Brandon Lewis** (Great Yarmouth) (Con): What steps his Department is taking to ensure that small and medium-sized enterprises are aware of opportunities to gain Government contracts. [69981]

5. **Andrew Bridgen** (North West Leicestershire) (Con): What steps his Department is taking to ensure that small and medium-sized enterprises are aware of opportunities to gain Government contracts. [69985]

The Minister of State, Cabinet Office (Mr Oliver Letwin): We have established Contracts Finder as a one-stop shop, which enables suppliers to find procurement opportunities, tender documents and contracts online and free of charge. We are also piloting a simple method, which I think is called a dynamic market, for suppliers to register online for public sector contracts below £100,000. That will enable small and medium-sized enterprises to compete at minimal cost alongside large suppliers.

Brandon Lewis: Does the Minister agree that, although large companies often find it easy to tender competitively for those contracts, there is a real benefit economically from spending time and effort on encouraging small and medium-sized businesses to bid for such tenders?

Mr Letwin: I agree strongly with my hon. Friend. There is a temptation to think that it does not matter who provides a public service contract, big or small, but we all have an enormous interest in encouraging small and medium-sized enterprises to engage in the process, because we all have a huge incentive and reason for believing that innovation in public service can lead to more productivity. It is very often the small, innovative companies that engage in innovation, and therefore we need to ensure that we encourage their participation right the way through the process.

Andrew Bridgen: SME information technology companies are reporting back from the Government tendering process that project aims and budgets remain unspecified and that forms are still the size of telephone directories. Can my right hon. Friend assure the House that those concerns will be taken on board, so that this Government can deliver real value from IT projects—something that the previous Government failed to do?

Mr Letwin: My hon. Friend has actively and aggressively pursued several Government Departments about these issues and I hope that he will continue to do so. He is absolutely right that too much of this still goes on. My right hon. Friend the Minister for the Cabinet Office, who has taken the lead on the issue and deserves great credit for that, has not tried to keep the issue secret—on the contrary, he has tried to open it up.

We have introduced a "mystery shopper" scheme, which allows suppliers to challenge Government procurers when they see overly bureaucratic processes. I am delighted to be able to tell the House that during the first three months of the scheme, 23 cases of things such as huge telephone-book-sized contracts were investigated and 11 have led to immediate reductions in tedious bureaucracy. All the information about the scheme has been published on the Cabinet Office website.

Mr Bernard Jenkin (Harwich and North Essex) (Con): Has my right hon. Friend had a chance to read the Public Administration Committee report "Government and IT—'A Recipe For Rip-Offs' "? It points out that we cannot rely on the large systems integrators to involve small and medium-sized enterprises. The Government themselves have to employ people from that sector so that the Government can engage with it directly. That is the only way in which we will get SMEs involved in Government procurement.

Mr Letwin: As with every product of the Select Committee in which my hon. Friend is so notably involved, we do indeed pay enormous attention to that report. My right hon. Friend the Minister for the Cabinet Office has already taken that set of steps and is already intending to ensure that we have the expertise to do exactly as my hon. Friend recommends. It is absolutely crucial that we get to grips with every large project, and some of them are central to the Government's policy agenda—in welfare, for example.

Public Bodies Bill

3. **Mark Lancaster** (Milton Keynes North) (Con): What steps he plans to take to put in place a system of regular review of remaining public bodies following the implementation of the provisions of the Public Bodies Bill. [69982]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): The Government are committed to reviewing non-departmental public bodies every three years. The reviews will provide a much needed, robust challenge for the continuing need of individual bodies and ensure that the body is complying with recognised principles of good corporate governance.

Mark Lancaster: Will the Minister remind the House how much money he anticipates will be saved as a result of the Bill? Given the spending on so many quangos, much of which is so wasteful, are we not being slightly modest in our ambitions? Is there not even greater scope in future years to save yet more money?

Mr Hurd: My hon. Friend is entirely right—he should be nudging us to be more ambitious. We have placed on record what we think is a conservative estimate of cumulative administrative savings from reforms already identified of at least £2.6 billion over the spending review period, but we expect that to be a start rather than a finish.

Mrs Jenny Chapman (Darlington) (Lab): Is the Minister concerned that some of the public bodies may be being abolished with a little too much haste, particularly given the riots in the summer? The Youth Justice Board was very successful in reducing youth offending by around 34%. Does the Minister not worry that we will get rid of some of the bodies in too much of a hurry?

Mr Hurd: The Youth Justice Board still exists. What we have set up with the Public Bodies Bill is a framework and mechanism for enabling reform. Each Department has to come to the House with a case for reform, which needs to be debated and processed through secondary legislation. That is what we have set up, so Parliament will have plenty of opportunity to scrutinise and debate.

Tessa Jowell (Dulwich and West Norwood) (Lab): In 2009, it was agreed that the office of the chief coroner would be established to improve support for bereaved families. The decision was taken with support from both sides of the House. In the passage of the Public Bodies Bill, the Government have signalled that they intend to abolish the office of the chief coroner before it has even been established. Which organisations are in favour of its abolition?

Mr Hurd: The right hon. Lady knows from our Second Reading debates that there are strong opinions on this subject. I refer her to what I said before; the mechanism that we have set out is for a genuine debate on the proposed reforms. That is what the Bill enables, and she and I, or appropriate colleagues, will have that debate in Committee in forthcoming weeks and months.

Efficiency and Reform Group

4. **Mike Freer** (Finchley and Golders Green) (Con): What estimate he has made of the savings to the public purse arising from the work of the Efficiency and Reform Group in 2010-11. [69984]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): The Government saved £3.75 billion in their first 10 months after taking office by stopping unnecessary and wasteful spending. We saved £800 million by renegotiating with the biggest suppliers to Government. We cut spending on consultants by 70% and on advertising by 80%. This is just the beginning; there is much more to be done.

Mike Freer: I thank the Minister and welcome the initial savings of the Efficiency and Reform Group. He will be aware, however, of the £1 billion of additional savings that my own research has identified. Will he agree that I could meet the chair of the Efficiency and Reform Group to discuss these savings further?

Mr Maude: The chair of the Efficiency and Reform Group is me, so I will be delighted to meet my hon. Friend, who, when he was leader of Barnet council, showed how much can be done. We do, absolutely, have a huge amount to learn from what is being done best in local government, particularly the sort of savings that can be made by much better use of office accommodation. It is such a pity that when the current Leader of the Opposition was Minister for the Cabinet Office he did not do this stuff himself. The country would be in less of a mess and the public finances would be in better shape if he had done his job properly.

Jon Trickett (Hemsworth) (Lab): Of course everybody welcomes cuts to wasteful expenditure. However, will the Minister explain why the Cabinet Office website indicates that in January a contractor charged the taxpayer £5,867.66 for flying flags? Will he explain why the Government paid a single taxi fare of £324.14, which would almost get me from here to Yorkshire and back again? Finally, will he explain why the taxpayer paid £181 for a single individual's eye test? What a waste of money.

Mr Maude: I shall be absolutely delighted to provide the hon. Gentleman with full and detailed replies. I just point out to him, however, that if we had not opened up public spending to public scrutiny, he would not have a prayer of even asking the question.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): Proxima, a small software company in my constituency, has the potential to offer real efficiency savings in the use of Government software. Its initial discussions with the Department have been positive, but they have now stalled. Will my right hon. Friend agree to meet me and my constituents to see how we can save the Government millions by better use of their resources?

Mr Maude: My hon. Friend has raised an important point, and I will be very glad to meet him to discuss it. There is a huge amount we can do to use IT resources much, much better. Far too often in the past, the Government were reinventing the wheel by buying new systems and not reusing what they had already spent money on. That will now cease.

Civil Service (Voluntary Severance)

6. **Mr Michael McCann** (East Kilbride, Strathaven and Lesmahagow) (Lab): What estimate he has made of the number of civil servants who will leave the civil service on voluntary severance terms in 2010-11. [69986]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): We aim to minimise compulsory redundancy. We reformed the civil service compensation scheme so that, for the first time, voluntary redundancy was more attractive than compulsory redundancy, which was impossibly expensive under the scheme left in place by the previous Government. We estimate that in early 2010-11 11,200 civil servants left the civil service on the new terms.[1]

Mr McCann: I thank the Minister for that answer. Let me place on record the fact that he will share the objective that all severance packages are voluntary. Nevertheless, I am receiving from civil servants who work in my constituency evidence that they have been dissuaded from volunteering for a redundancy package because parts of their accrued service do not count for the final compensation package. Will the Minister ensure that maximum flexibility is deployed in order to allow us to reach the goal of all departures being voluntary?

Mr Maude: I can confirm that staff in the Crown Agents have always been outside the civil service compensation scheme. In April, I used the powers available to me under the scheme rules to allow service in the Crown Agents to count for compensation purposes for the voluntary schemes currently being run by the Department for International Development. I am aware that there are a few cases in which questions have arisen around service before joining the Crown Agents. My officials are actively engaged in clarifying what commitments were made at that time to these staff.

Public Disorder (Financial Cost)

7. **Jonathan Ashworth** (Leicester South) (Lab): What estimate he has made of the financial cost to the voluntary and community sector organisations of recent public disorder in England. [69987]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): Since the riots, we have remained in close contact with our strategic partners, who are feeding in information about the impact of the riots on community groups. I have a meeting next week with community groups and sector representatives to discuss that impact and the way forward.

Jonathan Ashworth: I am grateful to the Minister for that answer. At the height of the disturbances that hit Leicester, the Age Concern ambulance bus was torched. Despite what the Prime Minister indicated to me in his statement of 11 August, Age Concern is not eligible for the compensation schemes. Will the Minister look urgently at setting up a compensation scheme for charities so that Age Concern in my constituency can replace its ambulance bus as quickly as possible?

Mr Hurd: I was as shocked as anyone by the torching of the Age Concern ambulance. My understanding is that under these circumstances, damages are recoverable from the high street support scheme. I have been informed that officials have sent that information through. I would be very happy to meet the hon. Gentleman and representatives of Age Concern if there are continued problems with this issue.

Mr David Evennett (Bexleyheath and Crayford) (Con): Does my hon. Friend agree that voluntary organisations are the backbone of our local communities and that any damage to their property or organisation diminishes their opportunity to assist the individuals and groups that are most in need?

Mr Hurd: I could not agree more with my hon. Friend, which is why I am meeting many sector representatives and community groups next week to discuss the impact and the way forward. He knows as well as I do that we are doing a huge amount to support community organisations through deregulation and by making it easier for them to access finance.

1. *[Official Report, 8 September 2011, Vol. 532, c. 3MC.]*

Roberta Blackman-Woods (City of Durham) (Lab): How much money does the Minister think he will have to put into the national citizen service to prevent future riots? How will he ensure that that is not done at the cost of general voluntary and community services that support young people, especially given that they are incurring additional costs in helping communities to rebuild after the riots and are subject to Government cuts?

Mr Hurd: We are hugely enthusiastic about the national citizen service; much more, apparently, than the Opposition Front Bench. The experience from this summer is that it has been a fantastic experience for young people, connecting them with a chance to do something really positive in their communities. We are piloting it, but have to proceed cautiously because a lot of taxpayers' money is involved. As the Prime Minister has made quite clear, we are keen to expand it as fast as we can.

National Citizen Service

8. **Caroline Nokes** (Romsey and Southampton North) (Con): What recent progress he has made on the national citizen service pilots. [69988]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): We are absolutely delighted with the progress of the national citizen service. About 8,500 young people enjoyed an extremely positive experience this summer. The feedback has been fantastically positive and we will publish an evaluation report shortly on this year's pilots.

Caroline Nokes: I thank the Minister for that response. Will he confirm that he will look to involve organisations such as the YMCA, which has a fantastically strong track record of providing constructive activities for young people, in the delivery of the scheme?

Mr Hurd: I share my hon. Friend's high regard for the YMCA and lots of other youth organisations across the country. As I said, we are ambitious to expand the national citizen service and are looking to commission up to 30,000 places next year. We are actively reviewing a list of applications and bids from a great diversity of suppliers. We will announce the results of that shortly.

Huw Irranca-Davies (Ogmore) (Lab): I know that the Minister is still working out the fine details of the scheme, but may I urge him not to reinvent the wheel, but to make the best use of the Prince's Trust and the Duke of Edinburgh's award scheme, of which I am a gold member? As well as not reinventing the wheel, I urge him not to break the spokes in the wheel by shattering youth service provision throughout the country as very good schemes go to the wall under this Administration.

Mr Hurd: I should make it clear that we are deliberately offering 16-year-olds in this country something new and distinctive. If the hon. Gentleman listens to the kids on the programme this year, he will hear that they see it as being very different from the Duke of Edinburgh's award and the Prince's Trust. It is set up to be different, and that is why we are piloting it. As I said, we are extremely enthusiastic about the feedback.

Several hon. Members *rose—*

Mr Speaker: Order. There are far too many private conversations taking place in the Chamber. The House must come to order and hear Mr Mel Stride.

Topical Questions

T1. [69954] **Mel Stride** (Central Devon) (Con): If he will make a statement on his departmental responsibilities.

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): As Minister for the Cabinet Office, I am responsible for the public sector Efficiency and Reform Group, civil service issues, industrial relations, strategy in the public sector, Government transparency, civil contingencies, the civil society and cyber-security.

Mel Stride: Okehampton, in my constituency, has recently seen unemployment treble virtually overnight, although the figure has now decreased dramatically due to local action. It is holding a very important event this week, "Okehampton Works", bringing together public, private and voluntary organisations to focus on employment, which is an important step towards the big society locally. Will my right hon. Friend join me in visiting Okehampton to meet, and learn from, those who have pioneered that important initiative?

Mr Maude: I should be delighted for either myself or the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd), to join my hon. Friend in Okehampton to discuss those very issues. There is a huge amount that can be done.

Mr Speaker: I call Graham Stringer. He is not here.

Chris Bryant (Rhondda) (Lab): One quango that has done a really good job since it was brought in by the Labour Government is the Security Industry Authority, which licenses bouncers outside pubs. One role that it has not yet been given is the licensing of private investigators. We have seen over the past year that some private investigators are very good people, but some of them are the scum of the earth. Should we not be licensing them and giving that power to the authority?

Mr Maude: Whatever the merits of the hon. Gentleman's point, it is one that he should make to my right hon. Friend the Home Secretary, who has responsibility for these matters.

T2. [69955] **Karl McCartney** (Lincoln) (Con): In the light of the excellent work in Lincoln this summer of the pilot national citizen service managed by the Lincolnshire and Rutland Education Business Partnership, can my hon. Friend assure me that careful consideration has been given to the EBP's bid for next year, which I wholeheartedly support, so that it can be the deliverer of the NCS for the whole of Lincolnshire in 2012?

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): I am grateful to Lincolnshire and Rutland Education Business Partnership for the excellent work that it has done this summer, which is a really good example of communities working together to support the NCS. As

I have said before, we are giving careful consideration to all bids received to run the 2012 pilots and will be making an announcement very shortly. *[Interruption.]*

Mr Speaker: Order. There really is far too much noise in the Chamber. It is very discourteous to the Member asking the question and the Minister whose answer we want to hear. I hope the House will show some respect for Mr Sammy Wilson.

Sammy Wilson (East Antrim) (DUP): What arrangements does the Minister intend to put in place to ensure that places such as Northern Ireland benefit from the opportunities presented by the big society bank?

Mr Hurd: I was in Belfast just a few weeks ago, at Hillsborough castle, talking about just that to a section of community organisations and social enterprises that were fascinated by the big society bank. We made it very clear that it was open for business in Northern Ireland.

T4. [69957] **Jason McCartney** (Colne Valley) (Con): I enjoyed a very rewarding week of volunteering in my constituency during the summer with Mencap, the National Trust, Kirkwood hospice, the Forget Me Not Trust and many more. Does the Minister agree that volunteering should be a key component of the national citizen service?

Mr Hurd: I congratulate my hon. Friend on the sterling example that he has set others. Of course, one of the purposes of the national citizen service is to connect young people with their power to make a positive difference in their communities. If he had visited some of the pilots that I did, he would have been absolutely inspired by the enthusiasm with which they undertook that task.

Duncan Hames (Chippenham) (LD): In opening access to public data on the performance of our publicly subsidised railways, does the Minister recognise that real-time running information would be even more powerful in driving innovation that would aid the travelling public? Will he get train operators to be more open with such public data?

Mr Maude: My hon. Friend makes a powerful point. These are services that rely on public subsidy, and that information is incredibly valuable and capable of providing enormous benefit to the users of public transport. It can drive more passengers on to public transport, which we all want, so it is in not only the public interest but the operators' interest to make such data available.

T5. [69958] **Gavin Barwell** (Croydon Central) (Con): Further to our meeting in May, may I ask my right hon. Friend what progress has been made with the relocation of part of the central Government estate from central London?

Mr Maude: At this stage we are concentrating on simply reducing the footprint of the Government's property estate, which was allowed to grow massively out of control under the last Government because there were no controls whatever. Rather than looking to relocate, at this stage we are simply looking to reduce what the Government occupy. I know that Croydon, which my hon. Friend represents vigorously, is a very good location out of central London for Government services to operate from.

T7. [69960] **Sajid Javid** (Bromsgrove) (Con): Small and medium-sized enterprises in my constituency warmly welcome the steps that the Government are taking to make it easier for them to win Government contracts, but they also need better access to finance to win such contracts. What steps is my right hon. Friend taking to help with that?

The Minister of State, Cabinet Office (Mr Oliver Letwin): My hon. Friend is absolutely right that without the finance, SMEs cannot take part. I am delighted to be able to tell him that in the first half of the year, SME lending has almost lived up to the target set in the Merlin agreement for SMEs—it is within £1 billion—which is a major achievement.

T8. [69961] **Nicky Morgan** (Loughborough) (Con): Does my hon. Friend agree that the promotion of youth organisations such as the Passion youth centre in Shepshed, which are often set up by churches, should be a cornerstone of the Government's response to the riots over the summer?

Mr Hurd: I should certainly like to join my hon. Friend in congratulating the Passion youth centre and the local churches that support it. That seems to be an excellent example of the community pulling together to make better use of an old facility, which is exactly the type of thing that we are trying to encourage through the Localism Bill, Big Society Capital and the Community First grant programme.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [69964] **Ian Austin** (Dudley North) (Lab): If he will list his official engagements for Wednesday 7 September.

The Prime Minister (Mr David Cameron): I am sure that the whole House will wish to join me in paying tribute to those who have fallen in Afghanistan since we last met for Prime Minister's questions: Lance Corporal Paul Watkins, from 9th/12th Royal Lancers; Corporal Mark Palin, from 1st Battalion The Rifles; Marine James Wright, from Juliet Company, 42 Commando, Royal Marines; Lieutenant Daniel Clack, from 1st Battalion The Rifles; and Sergeant Barry Weston, from Kilo Company, 42 Commando, Royal Marines. We should also remember Senior Aircraftman James Smart, from No. 2 (Mechanical Transport) Squadron, RAF Wittering, who died in a road traffic accident in Italy on 20 July while supporting operations in Libya. I pay tribute to their outstanding courage and selflessness. They have each given their lives serving our country and making our world more safe and secure. Our thoughts and deepest sympathies should be with their families, their friends and their colleagues.

This week, we also reach the 10th anniversary of the terrible atrocities of 11 September 2001, so we should remember all those who lost their lives that day, and all those who have died in pursuit of a safer future throughout the last decade.

This morning I had meetings with ministerial colleagues and others, and in addition to my duties in this House, I shall have further such meetings later today.

Ian Austin: The whole House will agree with the tributes that the Prime Minister has just made to members of the armed forces who have made the ultimate sacrifice defending our country.

Earlier this week, the Government pushed through legislation that says that terror suspects must be given access to mobile phones and the internet and that ends relocation orders, so that such suspects cannot be kept out of London in the run-up to the Olympics or the Queen's jubilee without emergency legislation. Will not decent, law-abiding people out there be shocked to discover that the Prime Minister is weakening protection for them while pushing through what many people will think is a charter of rights for would-be terrorists?

The Prime Minister: I do not agree with that. We consulted very carefully with the police and the security services in order to try to get to a better position, because frankly, control orders did not have the confidence of the public and did not work in far too many cases. The arrangements that we have put in place will keep this country safe and have greater public confidence.

Guy Opperman (Hexham) (Con): May I thank the House and all my Hexham constituents for their messages of support while I was temporarily in hospital? I am now fully recovered, thanks to the outstanding care of the NHS and its hard-working doctors and nurses. Does the Prime Minister agree with me, as many doctors and nurses did, that it must be our mission to improve and reform the NHS, so that the service that we so cherish will improve with the challenges ahead?

The Prime Minister: May I say how good it is to see my hon. Friend back in his place and fully recovered? He is right: the point of our health reforms is to put doctors in charge, give patients greater choice, and heal the divide between health and social care. I believe that they will lead to a stronger NHS and better outcomes for patients.

Edward Miliband (Doncaster North) (Lab): May I begin by joining the Prime Minister in paying tribute to our brave servicemen who have given their lives over the summer: Lance Corporal Paul Watkins, from 9th/12th Royal Lancers (Prince of Wales's); Corporal Mark Palin, from 1st Battalion The Rifles; Marine James Wright, from Juliet Company, 42 Commando, Royal Marines; Lieutenant Daniel Clack, from 1st Battalion The Rifles; Sergeant Barry Weston, from Kilo Company, 42 Commando, Royal Marines; and Senior Aircraftman James Smart, from No. 2 (Mechanical Transport) Squadron, RAF Wittering. All of them demonstrated tremendous bravery and courage in the line of duty, and we send our deepest condolences to their families and friends.

Let me also join the Prime Minister in remembering all those who died in the terrorist attacks of 11 September 2001. We all said at the time that we would never forget, and it is right that we pay particular attention on this the 10th anniversary of 11 September, so that for the victims and their families we show that we are true to the words that we spoke in the aftermath of those terrible attacks.

As the House returns from the recess, I also thank all our policemen and policewomen who did such a tremendous job in the riots over the summer, and it is on the subject of policing that I want to start my questions to the Prime Minister. We learned last night that the Prime Minister now wants to hold his elections for police commissioners not alongside local elections, as originally intended, but in November next year. How much extra money does he expect that to cost?

The Prime Minister: It will cost an extra £25 million. The money will not be taken from the police budget.

Edward Miliband: So the Prime Minister is making a bad policy worse by wasting money. If he wanted to postpone the elections, he could easily have decided to hold them in May 2013; and, indeed, subsequent elections will be held in May 2016. Will he tell us why he has decided to waste his money in this way?

The Prime Minister: It is important to get the policy right, and to make sure that it works. Let us be clear. First of all, why are the Opposition so frightened of an election? What have they to fear?

The right hon. Gentleman called this bad policy. Let me tell him what was said by his own shadow Policing Minister. The hon. Member for Gedling (Vernon Coaker) said that

"only direct election, based on geographic constituencies, will deliver the strong connection to the public which is critical".

Why is the right hon. Gentleman so frightened of an election and proper police accountability?

Edward Miliband: We know what the public up and down this country know: this is the wrong priority for the country. What did we see during the riots? We saw visible, effective policing. Now the Prime Minister tells us that the country cannot afford the current police budgets, and that we must cut the number of police officers by 16,000. However, he tells the country that it can afford £100 million and more as a result of his decision to waste money on 42 elected politicians earning more than £120,000 a year. That could pay for 2,000 extra police officers. Is not the truth that this is the wrong priority at the wrong time for the country?

The Prime Minister: As ever, the right hon. Gentleman has got his figures completely wrong. The police authorities of whom only 6% of the country have actually heard will be abolished, and that will save money.

Let me put it to the right hon. Gentleman again. Why is he frightened of direct elections that will make the police accountable? He was responsible for the last Labour manifesto, and this is what the last Labour Prime Minister said:

"the Home Secretary will bring forward proposals for directly elected representatives to give local people more control over policing".—[*Official Report*, 14 May 2008; Vol. 475, c. 1388.]

Why the U-turn?

Edward Miliband: We know that the Prime Minister has got the wrong priorities on the police and that he is refusing to back down. However, he has got the wrong priorities not just on the police, but on the health service as well. Can he tell us why the number of people who have had to wait longer than six months for an operation has gone up by more than 60% since he came to office?

The Prime Minister: I am not surprised that the right hon. Gentleman wants to change the subject, because on policing he was having his collar felt as he has done a complete U-turn on the policy he used to be committed to.

As I said some moments ago, in our health service we are seeing more cancer patients get treatment, more doctors in our NHS, fewer bureaucrats, a reduction in mixed-sex—*[Interruption.]* I know Labour Members do not like hearing—*[Interruption.]*

Mr Speaker: Order. There is far too much noise in what is beginning to sound like orchestrated heckling. *[Interruption.]* Order. It is profoundly discourteous and it should stop.

The Prime Minister: The trouble is that the Opposition do not like hearing good news about what is happening in the national health service. The fact is that waiting times for outpatients have actually fallen since the last election.

Edward Miliband: That was a complete non-answer; the Prime Minister cannot even answer the questions. We are talking about people up and down this country who have been waiting longer for their operations. *[Interruption.]* The Government Chief Whip shouts from a sedentary position; he should care about these people who have been waiting longer for their operations. Let me tell the Government Chief Whip and the whole Government Front Bench what we are talking about. Between June 2010 and June 2011, the number of people waiting more than six months for an operation was up by 42% for those waiting for a heart operation, up by 62% for those waiting for orthopaedic operations, and up by 72% for those waiting for eye surgery. The country and I are just asking for a simple explanation from the Prime Minister: why has it happened?

The Prime Minister: The explanation is that the amount of time that people are waiting for an outpatient operation has actually gone down; that is what has happened. As the right hon. Gentleman knows, we have targets for 90% of people to get their treatment within 18 weeks, and those targets are being met. He may not like the truth, but that is the truth, and I have to say to him that that is why we now see the Royal College of General Practitioners, the Royal College of Physicians and the Royal College of Nursing all supporting our health reforms. We even see Lord Darzi, the former Health Minister, supporting our health reforms. Labour has got itself into a position of opposing all reform to the NHS and opposing the extra money into the NHS; that is its position.

Edward Miliband: I think the Prime Minister has convinced the country that he is on another planet from them. He had his holidays interrupted—fair play to him—but he took time off from his holiday to tell the *Western Morning News* what he has just repeated: that the

"whole health profession is on board for what is now being done."

I have to ask: does he read the newspapers, because only on Tuesday of this week the British Medical Association, the Royal College of GPs and the Royal College of Midwives all rejected his Bill? And that was only this week. The truth is that under this Government we are seeing two reckless and needless reorganisations of our public services: police numbers down and waiting lists up. Under Labour, we saw police officers up and waiting lists down. Why does he not do the right thing for the future of our public services, and scrap both of these disruptive and dangerous plans?

The Prime Minister: Is it not interesting that he does not dare in six questions to mention the economy? On our health reforms, let me quote what the man his Government plucked from the NHS to run the Department of Health, Lord Darzi, says:

"The proposals from the NHS Future Forum, and supported by the Government, have recast the reforms in"

the right

"direction and are to be welcomed."

So now we have the Royal College of GPs, the physicians, the nurses and people working in the health service supporting the changes we are making, and Labour wanting to cut the money and also cut the reform. Isn't it no surprise that the shadow Health Secretary—it is traditional to quote the shadow Health Secretary on these occasions—said this:

"It's a tough fact of life...that what Labour says matters less than what almost anyone else says"?

I couldn't have put it better myself.

Mrs Helen Grant (Maidstone and The Weald) (Con): Does the Prime Minister agree that building stronger families and communities is absolutely essential and key to dealing with antisocial and delinquent behaviour?

The Prime Minister: My hon. Friend is absolutely right. This is important and I am sure that there will be all-party agreement on it. As well as having a tough response from the criminal justice system to the riots—we have seen that tough response, with some exemplary sentences handed out very rapidly by the courts system; I praise all those who have been involved in speeding up the justice system—at the same time we need to do more to strengthen communities, to strengthen families, to increase discipline in schools and to make sure that our welfare system supports responsible behaviour rather than irresponsible behaviour. We will be bringing forward proposals along those lines and I hope that they will have support from everyone in this House.

Q2. [69965] **Jonathan Ashworth** (Leicester South) (Lab): Before the summer, the Prime Minister took part in a TV documentary that highlighted fears of crime and antisocial behaviour on the Saffron Lane estate in my constituency. Does he expect crime and antisocial behaviour on that estate, and across Leicester, to increase or decrease when he cuts 200 police officers from the Leicestershire force?

The Prime Minister: I want to see crime and antisocial behaviour go down. Let me just remind the hon. Gentleman that today only 12% of police officers——only one in 10—are on the beat at any one time. There are 25,000 police officers in back-office jobs, not on the front line. We all have a responsibility to try to get our budget deficit under control. His party is committed to a £1 billion cut in the police. What we have to do is recognise that this is about getting officers on to the front line—that is the debate we should be engaged in.

Q3. [69966] **Mr David Burrowes** (Enfield, Southgate) (Con): In the wake of the riots, may I commend the Government's and Mayor of London's support for high streets, such as those in Enfield, which were badly hit? Is this not a good time to support the forthcoming global day of prayer, which in London will be taking place at Wembley?

The Prime Minister: I certainly pay tribute to what the Mayor has done and what the Department for Communities and Local Government has done to make sure that there is money available for rebuilding our communities. The good thing about the £20 million high street support scheme, which my hon. Friend mentions, is that 29 local authorities have already registered for it. I hope that we will see the money being spent quickly to help rebuild our high streets.

Gloria De Piero (Ashfield) (Lab): Does the Prime Minister support the closure of local police stations?

The Prime Minister: It is up to chief constables to work out how best to police their areas, but what I am finding from talking to police constables up and down the country is that they want to put their resources into visible policing on the streets. They have got the support of a Government who are cutting the paperwork, reforming the pay and reforming the pensions—taking the difficult decisions that will make sure that we have more police on our streets than we ever would under Labour.

Q4. [69967] **Mr John Baron** (Basildon and Billericay) (Con): Will the Prime Minister join me in sending a very clear message to the Travellers at the illegal Dale Farm site: we all hope that they move off peacefully in order to avoid a forced eviction but if they do not do so, they should be in no doubt that the Government fully support Basildon council and Essex police in reclaiming this green belt land on behalf of the law-abiding majority?

The Prime Minister: I certainly give my support to Essex police and to all the county and district councils that have been involved, and I pay tribute to my hon. Friend for the very hard work he has put in on this issue. What I would say is that it is a basic issue of fairness: everyone in this country has to obey the law, including the law about planning permission and about building on green belt land. Where this has been done without permission it is an illegal development and so those people should move away. I completely agree with the way in which he put his question.

Q5. [69968] **John Woodcock** (Barrow and Furness) (Lab/Co-op): The Prime Minister opposed Labour's anti-gang laws, but then the riots occurred and he decided to strengthen them. Now he wants to weaken anti-terror laws by scrapping relocation powers. What will have to happen before he is prepared to admit that the mess he is replacing them with is putting national security at risk?

The Prime Minister: I simply do not accept what the hon. Gentleman says. In our review of control orders, we listened extremely carefully to MI5, the security services, the Metropolitan police and all those involved. There was a full review process to make sure that we could have a system that is legal—that is vital because the courts unpicked so many of the last Government's changes—that the public can have confidence in and that will keep us safe.

Heather Wheeler (South Derbyshire) (Con): On the day when 200 people from Bombardier in Derby are here to hear whether we can change the arrangements for the Thameslink contract, can the Prime Minister give us some hope about future contracts and about changing the tender arrangements—the mess that we were left in by the previous Government?

The Prime Minister: I certainly want to do everything I can to help Bombardier, which is an excellent company that employs people in Derbyshire and has done a brilliant job as an engineering business in this country for so many years. Before people from the Labour party start shouting, let me remind them that this procurement process was designed and initiated by the previous Government. It is no good their trying to shuffle off their responsibility—it is their responsibility.

Q6. [69969] **Thomas Docherty** (Dunfermline and West Fife) (Lab): Why do the Government not agree with the police that children as young as seven should be banned from having shotgun licences?

The Prime Minister: I think we should enforce proper rules on gun licences, including shotgun licences. We always keep these rules under review and if they need toughening, I will happily look at that.

Nadine Dorries (Mid Bedfordshire) (Con): The Liberal Democrats make up 8.7% of this Parliament and yet they seem to be influencing our free school policy, health and many issues including immigration and abortion. Does the Prime Minister—*[Interruption.]*

Mr Speaker: Order. The question from the hon. Lady will be heard.

Nadine Dorries: Does the Prime Minister think it is about time he told the Deputy Prime Minister who is the boss? *[Interruption.]*

Mr Speaker: Order. I wanted to hear the question, but I want to hear the Prime Minister's answer.

The Prime Minister: I know that the hon. Lady is extremely frustrated about the—*[Interruption.]* Perhaps I should start all over again—*[Interruption.]* I am going to give up on this one.

Q7. [69970] **Nic Dakin** (Scunthorpe) (Lab): With the Future Jobs Fund and education maintenance allowance having been scrapped, the number of young

people not in education, unemployment and training is at a record high of 18.4% on the Prime Minister's watch. When will things get better for our young people?

The Prime Minister: Clearly, we face a difficult situation in terms of youth unemployment. Let us be clear that the situation was getting worse during the economic good times, and there was a 40% increase in youth unemployment over the time of the previous Government. What we are seeing today is a disturbing increase in the number of those not in employment, education and training over the age of 18, but under the age of 18 that number is coming down. The steps that we are taking are to improve schooling, to raise the participation age to 18 and massively to increase the level of apprenticeships to 360,000 starts this year. We are also introducing the Work programme, which is the biggest back-to-work programme that has taken place in this country since the 1930s and it will also be made available to young people who are in danger of being left out of employment, education and training.

Q8. [69971] **John Stevenson** (Carlisle) (Con): I have been working with local businesses, my councils and other organisations to help promote, expand and grow the Carlisle economy. Clearly, given the economic background, it is imperative that we grow both the local and national economy. Will the Prime Minister tell us what new measures the Government will introduce to help promote such growth?

The Prime Minister: I am grateful to my hon. Friend and I enjoyed seeing at first hand what is happening in Cumbria to try get the local economy moving. The action we are taking obviously includes the cuts in corporation tax, and the regional growth fund and the enterprise zones. Specifically for Cumbria, the money we are investing for superfast broadband will really help that county, particularly the most rural and far-flung parts, and will ensure that small businesses can benefit throughout the county.

Q15. [69978] **Mark Tami** (Alyn and Deeside) (Lab): DNA and CCTV played a vital role in the arrest of many of the looters. Why is the Prime Minister undermining that in the Protection of Freedoms Bill?

The Prime Minister: We are not.

Q9. [69972] **Sir Alan Beith** (Berwick-upon-Tweed) (LD): When my right hon. Friend the Prime Minister comes to consider next week's Vickers report on the banks, which have been rescued with fantastic amounts of taxpayers' money, will he have no truck with the banks' argument that they cannot be reformed to prevent another crisis because they are having such a struggle coping with the crisis they have already created? Surely never again should British taxpayers have to bail out banks that are too big to fail.

The Prime Minister: My right hon. Friend is entirely right that the Government must take action to reform the banks, and that is what we are doing. We have already set out how we are getting rid of the tripartite structure that failed so badly under the previous Government, how we are putting the Bank of England back in charge, and how we are making sure that, as he put it, we cannot have in the future these catastrophic bank failures that cost the taxpayer so dear. We are looking forward to receiving Professor Vickers' report. It seems to me there are two vital things we have to secure—a safe and secure banking system for the future, but also proper bank lending, including to small businesses, right now in our economy. That is what Government policy will be aiming for.

Q10. [69973] **Grahame M. Morris** (Easington) (Lab): The Prime Minister will be aware that his Government are consulting on their changes to housing benefit claims under the criteria of under-occupancy. This will adversely affect 450,000 disabled people, including 33,000 in the north-east alone, who stand to lose on average £676 a year. A substantial number will be affected in my constituency. How does this policy meet his Government's fairness test?

The Prime Minister: We are making a specific exclusion to deal with people who have carers living in the home, but we do have to reform housing benefit. I think the whole House knows, frankly, that housing benefit was one of those budget items that was completely out of control. In some parts of London, we had families claiming £60,000, £70,000 and £80,000 in housing benefit just for one family, so this does need to be reformed. It is no good for the Labour party—

Ed Balls (Morley and Outwood) (Lab/Co-op): How many?

The Prime Minister: Frankly, too many. And it is no good for the Labour party to complain about every single reduction to public spending when it left us with the biggest budget deficit in Europe.

Mark Reckless (Rochester and Strood) (Con): The Prime Minister has listened to Liberal Democrat colleagues by delaying police elections until November next year. Will he now listen to Conservative colleagues and take the opportunity to hold a referendum on Europe?

The Prime Minister: That is an ingenious way of putting the question. As I explained yesterday, I want us to be influential in Europe about the things that matter to our national interest—promoting the single market, pushing forward for growth and making sure that we get lower energy prices. Those are the things that we will be fighting for, but I do not see the case for an in/out referendum on Europe. We are in Europe and we have got to make it work for us.

Q11. [69974] **Mr Dave Watts** (St Helens North) (Lab): Does the Prime Minister agree with his Housing Minister that due to the economic policies of the Government, we now have a growth crisis? When he does a U-turn, will he choose to cut VAT, which is Labour's policy, or to give tax cuts to the rich?

The Prime Minister: The hon. Gentleman obviously has not had time to read this great tome, which points out that increasing VAT was Labour's policy at the last election. What he should focus on is the fact that the person responsible for Labour's economic policy at the last election has said it had no credible policy whatever. The problem for Labour is that absolutely nothing has changed.

Michael Ellis (Northampton North) (Con): Will the Prime Minister join me in congratulating Members from both sides of the House and in both Houses on their generosity in responding to the letter from Mr Speaker and the Lords' Speaker in supporting a gift for Her Majesty the Queen for her forthcoming diamond jubilee from this Parliament?

The Prime Minister: I am delighted to join my hon. Friend in praising everyone who contributed to this very imaginative and sensible gift for Her Majesty's diamond jubilee. Perhaps I could pay particular tribute to him because he has worked so hard to make this work. I think it will be a fitting tribute and it is something that the country should focus on. To have a diamond jubilee is an extraordinary thing for us to be able to celebrate in our lifetimes.

Q12. [69975] **Barry Gardiner** (Brent North) (Lab): With electricity and gas bills going up by 20%, and with 6 million families in this country now facing fuel poverty, does the Prime Minister still think it was right to cut the winter fuel payment to pensioners by £100?

The Prime Minister: Let us be clear: we are going ahead with the winter fuel payment set out by the previous Labour Government in their Budget. At the same time, we are increasing the cold weather payments on a permanent basis, so this Government are being more generous than the previous Government.

Simon Wright (Norwich South) (LD): In seeking to address the economic recovery, is it better to help those who are taxed on incomes as little as £150 a week, or those who, after tax, take home around 10 times that amount?

The Prime Minister: The hon. Gentleman makes a good point. Let me just point out two things that we have done that are totally in line with that, one of which is to lift 1 million people out of income tax altogether—that is a coalition commitment that we have been delivering on. The second thing, when it comes to tax credits, is that we have increased, over two years, by £290 the tax credits that go to the poorest families in our country. That is why we have managed to take difficult decisions—everyone knows we have had to take difficult decisions—without an increase in child poverty. In better economic times, under the previous Government, child poverty actually went up.

Q13. [69976] **Diana Johnson** (Kingston upon Hull North) (Lab): Bringing Siemens, manufacturing wind turbines, to the Humber is vital for jobs and a breakthrough on renewables, which will hopefully increase the UK industry in this area. Local councils and businesses are doing everything they can to attract Siemens to the area, but we face very strong foreign competition. Will this Government do what the last Government did and back this bid? Will the Prime Minister do everything he can to secure Siemens coming to Hull?

The Prime Minister: I absolutely agree with the hon. Lady for raising this issue. I think it is vital for the future of our economy and the future of the area that she represents. I met Members of Parliament from Humberside to discuss the issue. I have myself spoken to the head of Siemens about the importance of this investment going ahead. We are continuing the extra money going into ports to help the development of this industry and we back it all the way.

Amber Rudd (Hastings and Rye) (Con): At a meeting this morning with organisations working in the horn of Africa, representatives expressed their gratitude for the fact that the British public have been so generous and the Department for International Development has provided such leadership. That famine is continuing to become more severe. Will the Prime Minister ensure that the Government continue to provide international leadership to help the people in east Africa?

The Prime Minister: I can certainly give my hon. Friend that assurance. The response of the British public has been remarkable. These are difficult economic times, but they have shown an incredible generosity and led the world in the contributions that they have made. And because this Government, again in difficult economic times, have made the decision to fulfil our pledge of reaching the level of 0.7% of national income going into aid, we are also leading the world in the amount of money that we are putting into the horn of Africa to vaccinate children, to save lives and to recognise that this is an ongoing humanitarian crisis.

Q14. [69977] **Huw Irranca-Davies** (Ogmore) (Lab): Does the Prime Minister agree that his Housing Minister is an absolute star? In the face of declining planning permissions for new build homes, in the face of fewer new homes being built in the previous 12 months than in any year of Labour's programme of administration for house building, his Minister's great idea is to urge councils to build more moorings for houseboats. Fantastic.

The Prime Minister: I thought the hon. Gentleman was doing so well till he got all political. I think there should be agreement across the House that house building is too low in this country, and it is a shocking statistic that the typical first-time buyer is now in their mid-30s. So we do need change, we do need more houses to be built, and I think my Housing Minister is doing a first-class job.

Mr Matthew Offord (Hendon) (Con): While much attention is being paid to the military activities occurring in Libya over the summer, will the Prime Minister join me in congratulating Captain Steve Norris and the crew of the Royal Fleet Auxiliary's Wave Ruler in the work they are doing combating drugs in the Caribbean? Not only did they intercept £50 million of cocaine over the summer, but they have also been helping humanitarian efforts in the Overseas Territories following Hurricane Irene.

The Prime Minister: My hon. Friend makes an important point. While we obviously should focus on and praise the incredible work that our services have done in Libya and Afghanistan, there are the ongoing tasks. He talks about drug interdiction in the West Indies. There is also the task of protecting the Falkland Islands. There is the work that we are doing to prevent piracy off the horn of Africa. In all these tasks people are giving a huge amount of time and effort, and we should praise and thank them for what they do.

Point of Order

12.33 pm

Tessa Jowell (Dulwich and West Norwood) (Lab): Questions 1 and 3 on the original future day listings for oral questions to the Minister for the Cabinet Office concerned proposals to abolish the Youth Justice Board and the office of the chief coroner—vital bodies scheduled to be removed under the Public Bodies Bill. The Government transferred the questions to other Government Departments. Do you, Mr Speaker, not agree that the Opposition should be able to hold the Minister for the Cabinet Office to account on these specific and unpopular proposals?

Mr Speaker: I am grateful to the right hon. Lady for her point of order. I certainly agree that Ministers should be held to account. The House will know that transfers are matters for the Department concerned, not for the Speaker, although I am concerned that such transfers should be made in good time. The right hon. Lady's point will have been heard and noted on the Treasury Bench.

BILL PRESENTED

EUROPEAN UNION ACT 2011 (AMENDMENT) BILL

Presentation and First Reading (Standing Order No. 57)

Mr William Cash, supported by Mr Bernard Jenkin, Mr John Whittingdale, Mr John Redwood, Geoffrey Clifton-Brown, Mr Greg Knight, Mr Graham Stuart, Mr Richard Shepherd, Jacob Rees-Mogg, Chris Heaton-Harris, Zac Goldsmith, Mr Peter Bone, presented a Bill to apply the terms of the European Union Act 2011 such as to require approval by Act of Parliament and by referendum of provisions for creating a fiscal union or economic governance within the Eurozone.

Bill read the First time; to be read a Second time on Friday 21 October, and to be printed (Bill 228).

Magna Carta Anniversary (Bank Holiday)

Motion for leave to bring in a Bill (Standing Order No. 23)

12.35 pm

Mrs Eleanor Laing (Epping Forest) (Con): I beg to move,

That leave be given to bring in a Bill to designate Monday 15 June 2015 as a bank holiday in the United Kingdom to mark the 800th anniversary of the signing of Magna Carta; and for connected purposes.

On 15 June 1215, the foundations of our democracy were laid when King John met his barons at Runnymede and sealed the historic document that has become known as Magna Carta. The effect of the Bill, which I now bring before the House, would be to celebrate appropriately the 800th anniversary of that momentous occasion. The concept of celebrating Magna Carta has widespread support. Indeed, Mr Speaker, we are grateful to you for having hosted in the Speaker's House in June this year the inaugural meeting of the all-party parliamentary Magna Carta group, many of whose members are present this afternoon.

What better way to celebrate freedom than by having a day's holiday? I appreciate, of course, how difficult it is for businesses, service providers and schools to deal with the consequences of a day's holiday, and I am not suggesting that 15 June should be an extra day's holiday, but, given the current discussions about moving the May bank holiday, the perfect replacement for the first Monday in May would be 15 June: Magna Carta day.

There is something unique and very special about celebrating Magna Carta. Its significance goes far beyond these shores. Upon it are based not only our own constitutional freedoms, but those of the United States of America, most of the Commonwealth and much of the European Union. Even in Scotland, where Magna Carta never had any force, its value as a constitutional document is still appreciated.

The committee set up by the Magna Carta Trust, ably led by the inimitable Sir Robert Worcester, is proposing a Magna Carta day to the American Congress, to the Canadian, Australian, New Zealand, Trinidadian, Indian, South African and all Commonwealth Parliaments and to the legislatures of all countries that hold our values and suggesting that they observe the 800th anniversary and declare their Magna Carta day to share with ours.

The German ambassador, when asked recently about the salience of Magna Carta, responded, "Magna Carta is known to everyone in Germany as the foundation of democracy—it is in the school syllabus." What a pity it is not in our school syllabus.

Winston Churchill was, of course, absolutely right, as ever, when he said that Magna Carta was

"the foundation of principles and systems of government of which neither King John nor his nobles dreamed."

Magna Carta established the very idea of the rule of law. It was the first formal document to insist that no one is above the law, however high his or her status. It also established that Executive power must proceed by recognised legal process, never unlawfully, when action is taken against an individual.

In the 800 years since the principle of the rule of law was thus set down, every aspect of our country's development has been influenced by it. This is not just dry, legal doctrine; it is our dependence on the belief in

[Mrs Eleanor Laing]

this fundamental freedom that has shaped our nation's character, fostering belief and pride in our basic liberty and giving us the confidence to question authority. What began as an agreement to give people freedom from royal interference has developed over eight centuries into a range of fundamental liberties. Now it is not the monarch who tries to interfere in the lives of our people; it is the state.

As we—Parliament—battle daily to keep the people we represent as free as possible from state interference, the principles of Magna Carta are every bit as important as they were 800 years ago. British people know that they have an inalienable right to freedom and to challenge the authority of Government. We have fought for that right through the ages—not only for ourselves, but for others right across the world.

Looking at the events of the so-called Arab spring over the past few months, we see how much still has to be done in trying to win those precious rights for those who still do not have them. As President Obama said when he addressed our Parliament in May:

"Centuries ago, when kings, emperors and warlords reigned over much of the world, it was the English who first spelled out the rights and liberties of man in the Magna Carta... through the struggles of slaves and immigrants, women and ethnic minorities, former colonies and persecuted religions, we have learned better than most that the longing for freedom and human dignity is not English or American or Western—it is universal, and it beats in every heart."

Magna Carta is a rare piece of legislation, perhaps unique, that has not just endured but evolved over the centuries. Although many of its provisions have been repealed, and rightly so, by later legislation, its principles none the less echo throughout the ages and across the globe today. Today, we need to rein in the power of an overbearing nanny state just as much as our forebears of the 13th century had to restrain the power of the king.

I am not asking that we declare a bank holiday to mark the signing of some dusty old piece of 13th century paper or, indeed, the actions of an unpopular monarch some 800 years ago. We need a special holiday so that the British people can celebrate today's freedoms on 15 June 2015—Magna Carta day. Our constitution, our civil liberties, our individual rights, the rule of law and the bedrock of our democracy are all too often taken for granted. However, we must never forget that the price of freedom is eternal vigilance, so let us cherish and appreciate our freedom, and let us celebrate it.

I urge the House to support the Bill to give the people a holiday to celebrate Magna Carta and all that it still stands for.

Question put and agreed to.

Ordered,

That Mrs Eleanor Laing, Mr Graham Allen, Helen Goodman, Robert Halfon, Oliver Heald, Mr Bernard Jenkin, Mr Peter Lilley, Mrs Anne Main, Stephen Metcalfe, Mr David Ruffley, Iain Stewart and Mr Jack Straw present the Bill.

Mrs Eleanor Laing accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 25 November, and to be printed (Bill 227).

Health and Social Care (Re-committed) Bill

[2ND ALLOCATED DAY]

Further consideration of Bill, as amended in the Public Bill Committee

Clause 10

DUTIES OF CONSORTIA AS TO COMMISSIONING CERTAIN HEALTH SERVICES

12.46 pm

Nadine Dorries (Mid Bedfordshire) (Con): I beg to move amendment 1, page 6, line 8, at end insert—

'(c) after paragraph (f) insert a new paragraph as follows—

"(g) independent information, advice and counselling services for women requesting termination of pregnancy to the extent that the clinical commissioning group considers they will choose to use them.".'.

Mr Speaker: With this it will be convenient to discuss the following:

Amendment 2, page 6, line 8, at end insert—

'(2A) After subsection (1) insert a new subsection as follows—

(1A) In this section, information, advice and counselling is independent where it is provided by either—

(i) a private body that does not itself provide for the termination of pregnancies; or

(ii) a statutory body.".'.

Amendment 1221, in clause 14, page 9, line 37, at end insert—

'( ) After paragraph 8 insert—

"Provision of independent information, advice and counselling services for women requesting a termination of pregnancy

8A (1) A local authority must make available to women requesting termination of pregnancy from any clinical commissioning group the option of receiving independent information, advice and counselling.

(2) In this paragraph, information, advice and counselling are independent where they are provided by either—

(a) a private body that does not itself refer, provide or have any financial interest in providing for the termination of pregnancies; or

(b) a statutory body.'.

Amendment 1252, page 9, line 37, at end insert—

'( ) After paragraph 8 insert—

"Provision of advice relating to unplanned pregnancy

8A The Secretary of State must ensure that all organisations offering information or advice in relation to unplanned pregnancy choices must follow current evidence-based guidance produced by a professional medical organisation specified by the Secretary of State.".'.

Amendment 1180, in clause 240, page 226, line 31, at end insert—

'(1) Regulations must require NICE to make recommendations with regard to the care of women seeking an induced termination of pregnancy, including the option of receiving independent information, advice and counselling about the procedure, its potential health implications and alternatives, including adoption.

(2) The regulations must require health or social care bodies or any private body that provides for the termination of pregnancies to comply with the recommendations made by NICE under subsection (1).'.

Nadine Dorries: Four weeks ago I was not sure whether I would get to the point where I could speak in the Chamber today. This has been a long and hot-under-the-collar summer. Following my announcement of my intention to table the amendment, I have been threatened with being throttled, car-bombed, burned alive and a host of other distasteful and unpleasant ways in which I would meet my end.

I shall not go into detail about any of these responses to my amendment. Needless to say, some of them involved bodily functions to a graphic degree, and some of the scatological messages were unbelievable. I will not repeat the bile that has poured into my inbox every day. I do not think there is anything that I or my staff could be threatened with, or that we could read or be told now, that would elicit any shock from us. There is nothing worse that we could hear.

Before I go into the detail of the amendment, I shall talk about a significant and substantial shift as a result of the amendment. It has always been the tradition of the House that abortion issues have been discussed and debated in the Chamber and the media have commented on what happened, usually in a reasonable way. But the amendment has changed the game for ever. All Members in all parts of the House know, particularly from the 2008 debate, that we debate with passion. I would say that the 2008 debate was one of the best debates of the previous Parliament. However, we all remain courteous and friendly with each other following the debates. The usual parliamentary knock-about and the usual games take place—I shall say more about that in relation to the amendment in a moment—but the debate usually takes place here and the media comment on what happens here as it happens.

I have no greater opponent in the House on this issue than the right hon. and learned Member for Camberwell and Peckham (Ms Harman). In 2008 she was the whipper-in and the mover behind what happened in that debate, but I have no greater respect for almost any other woman in the House than I do for her. I hugely respect what she has achieved for women and humanity, and I know that she approaches the issue honourably, as I hope I do. It is incredibly sad, therefore, that my summer has been made so difficult not by Opposition Members, who have all been incredibly quiet, but by the nastiness and the response of the left-wing media and union-funded organisations.

The past four weeks have been incredibly difficult. The campaign against the amendment has been co-ordinated by an organisation known as Abortion Rights, which is funded by Unison and a number of other small unions. It also received membership contributions, but, as I was told in a meeting with the organisation, it is largely funded by the unions and Unison is the biggest contributor. *[Interruption.]* I am not saying that every penny is not accountable; I am just informing the House that the campaign has been funded by the unions. I do not think that there is a problem with that.

Emily Thornberry (Islington South and Finsbury) (Lab): Who funds yours?

Nadine Dorries: I will tell the hon. Lady exactly who funds my campaign—nobody. Neither I nor my office has received a single penny. Here, to me, is the disadvantage of the amendment. The unions can contact Members' constituents and ask them to e-mail individual MPs, but I cannot afford to promote the amendment in that way. The press barons, whom the unions have fed with their response to the amendment, can pour what they want into the newspapers, but I cannot. What we have seen is an absolute divide.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Will the hon. Lady give way?

Nadine Dorries: I will give way, because the hon. Lady has commented previously on the press in this regard.

Luciana Berger: Will the hon. Lady please tell the House exactly who funds the Right to Know e-mails that many of us have received in our constituency inboxes?

Nadine Dorries: I will answer that question, and after I do I hope the hon. Lady will tell me who funds Labour Friends of Israel. I have no idea who funds Right to Know, as I am sure Labour Members have no idea who funds a number of campaigns that support them.

Rachel Reeves (Leeds West) (Lab): At what point will the hon. Lady move on to the substance of the amendment, rather than issues such as Israel and how Unison funds political campaigning?

Nadine Dorries: I absolutely will—that is why I am here—but it is important to explain the context and the background to some of misinformation that Members have received in their inboxes. This is my opportunity to correct the misinformation MPs have been fed about the amendment.

The amendment has created a divide that was not present before, including in 2008. *The Guardian* and *The Times* and the union-funded Abortion Rights have mounted a campaign against the amendment. I must say that the core Conservative vote newspapers, *The Daily Telegraph*, the *Daily Mail* and so on, have been supportive, so this chasm and the politicisation of abortion has begun as a result of the amendment and as a result of the unions and the left-wing media.

Chris Bryant (Rhondda) (Lab): Like *The Times*?

Nadine Dorries: There are lots of comments being made from a sedentary position, Mr Speaker, but *The Times* has actually fed that divide directly and repeated much of the information it has been given. I want to answer some of the accusations made about me in response to the amendment. I do not have the press barons' money to mount and fund a campaign. I have not received a penny. In fact, I am broke. My office has not received a penny in funding.

Lilian Greenwood (Nottingham South) (Lab): Will the hon. Lady give way?

Nadine Dorries: No.

I have also been accused of being a religious fundamentalist. Like 73% of the country, I am a member of the Church of England and have Christian beliefs, but I am not sure when that became a crime and prevented me from having an opinion. On Saturday, *The Guardian* printed a flow chart showing the conservative Christians who are supposed to be mounting a sphere of influence with the amendment. I did not know who

[Nadine Dorries]

95% of the people mentioned were or the organisation they represent. If I followed Islam or Judaism, I wonder what the response would have been to such a flow chart in *The Guardian*. I found the chart absolutely reprehensible and disgusting.

Chris Bryant: Will the hon. Lady give way?

Nadine Dorries: I absolutely will not.

I want to mention some of the other lies that have been printed about me. I have been accused of wanting to reduce the number of abortions by introducing the amendment. That is absolutely not the objective. However, if any individual in the street was asked about the amendment and told that it might bring down the number of abortions, would they say, "Well, that's a good thing," or would they say, "We're proud of the fact that 200,000 abortions a year are performed in the UK"? That is the highest number in western Europe. Would the individual in the street say that that is a good thing? No, they would say that it probably would be a good idea if something could help to bring that number down. I do not want to restrict access to abortion. The amendment is not about restricting access. I do not want to return to the days of Vera Drake-style back-street abortionists. That is not what the amendment is about. I am pro-choice, although I am presented as pro-life in every newspaper. The pro-life organisations are in fact e-mailing pro-life MPs to tell them not to vote for the amendment. I am pro-choice. Abortion is here to stay.

It is absolutely ridiculous that the amendment has been portrayed as something that would restrict access to abortion. The amendment is about medical practitioners making to a woman who presents at their surgery or organisation an offer of independent counselling, not compulsory counselling. Every single day I have read a headline stating that the amendment is intended to drive women into the arms of religious fundamentalists via compulsory counselling. That is absolutely not true. Any Member who rose and claimed that the amendment would make counselling compulsory would be being untruthful. It is nothing more than an offer. It is an offer made to some women who, when presenting at a GP's practice, may have doubts, may be confused and may feel that they would like to accept. That is all it is—an offer. I find it very difficult to understand how anyone can object to a vulnerable woman being made an offer of counselling when she is suffering from a crisis pregnancy.

Jim Shannon (Strangford) (DUP): I thank the hon. Lady for giving way, and I commend her courage and perseverance. Does she share the concern of many in this House and outside about the businesslike and commercial decisions that are taken in relation to abortion and feel that, because one hour of counselling a week for everyone is not enough, it is wrong that a commercial industry has been made out of abortion? Does she agree that when abortion becomes a business, the feelings of people have been lost?

Nadine Dorries: The hon. Gentleman makes a pertinent point about the relationship between financial incentive and abortion counselling, which I will talk about in a moment to make it quite clear how the amendment relates to the issue.

Dr Julian Huppert (Cambridge) (LD): Does the hon. Lady accept the comments of the Royal College of Obstetricians and Gynaecologists, which essentially says that there is not a problem? It has commented:

"The system, as it stands, works well."

Nadine Dorries: Well, that comment is probably the most fatuous we will hear in the debate, and probably the most disrespectful to women. I would like to know what the hon. Gentleman thinks about the report published last week in the British Journal of Psychiatry that women who have an abortion are twice as likely to suffer from mental health problems. Of course, I realise that the report he quotes from was probably written by men. I realise that the women who go through abortion and suffer as a result do not go back to the Royal College of Obstetricians and Gynaecologists to give feedback.

Dr Huppert *rose—*

Nadine Dorries: I will not give way again to the hon. Gentleman, as I am sure that he will have an opportunity to make his point when he is called to speak later.

Mr David Burrowes (Enfield, Southgate) (Con): My hon. Friend was right to introduce her remarks to the House and highlight the unacceptable personal attacks that have been made against her, which denigrate an issue of vital importance and interest to the whole House. The House needs to rise above that in today's debate. With regard to evidence of change, could she indicate what research she has done on how much face-to-face counselling takes place in organisations such as the British Pregnancy Advisory Service, for example?

Nadine Dorries: I thank my hon. Friend, and in a moment I will come on to the difference between counselling and consultation, and what is available to women.

1 pm

Another piece of misinformation that has been put about is the idea that the amendment would prevent or delay the abortion process. Again, that is incredibly untrue. Counselling would be delivered within 24 to 48 hours, and the abortion process would take seven to 14 days to arrange. This amendment, this offer of counselling, is not for women who have made up their mind and—fantastic for them—want to go straight to the abortion clinic; it is for women who may be in distress. The counselling would be delivered within 24 to 48 hours, so there would be no delay whatever to the abortion process. In fact, many women who accepted the offer of counselling and proceeded to an abortion would proceed empowered, because they would have had the opportunity to talk through their situation with someone totally impartial—

Lyn Brown (West Ham) (Lab) *rose—*

Kate Green (Stretford and Urmston) (Lab) *rose—*

Nadine Dorries: I want to finish this point, and then I will give way.

The counsellor would be completely impartial, give no advice or direction and be entirely independent, so if the woman had been through the process and then continued to abortion, she would do so knowing that she had talked through her options with somebody.

Rachel Reeves: Will the hon. Lady give way?

Nadine Dorries: No, I have given way to the hon. Lady once. I will give way to the hon. Lady who also acts as a Whip.

Lyn Brown: I am listening with interest to the hon. Lady. How can she guarantee that the counselling that she proposes will not delay the abortion process?

Nadine Dorries: I have spoken to organisations that provide counselling and have 80,000 registered counsellors throughout the UK. [HON. MEMBERS: "Who?"] The British Association for Counselling and Psychotherapy. I asked, "If somebody required counselling, was at a GP's practice and a telephone call was made, how long would it take to get a counsellor to a particular woman?" The answer was that counselling could be delivered in the GP's practice, at another venue or in the woman's home, and that it could be anything from immediate to within 48 hours.

Registered counsellors, who have e-mailed me regularly since the amendment was tabled, say that they would love to work—counselling is a growing industry—and to have the opportunity to work with women in that situation. Unfortunately, however, counselling is available on the NHS only via the abortion provider or via the hospital.

Mark Pritchard (The Wrekin) (Con): I am grateful to my courageous and honourable Friend for giving way. As 147 babies were terminated after 24 weeks in the past year—a 29% increase on the previous year—does she agree that such counselling should also include the fact that many of those terminated babies, who had minor disabilities such as cleft lips, cleft palates, half an ear or having only one ear, could have been dealt with through modern cosmetic reconstructive surgery?

Nadine Dorries: I thank my hon. Friend for that comment. That is a different debate, but he highlights an important issue, and it is abhorrent that 147 babies were aborted for cleft palate, hare lip and minor cosmetic issues. I have a godson who had a club foot, and he was a wonderful young boy and is a wonderful young man. I find it quite amazing that anybody would choose to abort a baby because they had a club foot, but that is an issue for another day. The amendment does not cover it, but it is an important point.

Mr Stewart Jackson (Peterborough) (Con): Does my hon. Friend share my incredulity at those Opposition Members who maintain that an organisation such as BPAS—the British Pregnancy Advisory Service—can be independent in its counselling, when in its March 2011 report and financial statement it notes that

"an increase in procedures of 13 per cent against the background of falling national trends in 2010-11"

is

"a significant achievement"?

How can the opponents of the amendment maintain that there is no fiscal link and no conflict of interest?

Nadine Dorries: That is a very important point, and in a moment I will come on to the financial link and the financial incentives, with some other information that we have.

Mrs Helen Grant (Maidstone and The Weald) (Con): Will my brave hon. Friend confirm her belief that existing counselling services have the capacity to deal with the level of referral?

Nadine Dorries: That is precisely the next point in my speech; my hon. Friend must have been looking over my shoulder!

I now turn to the counselling provision available to women today. Many women do not want or need counselling. They find out that they are pregnant and know exactly what they want to do, but those are frequently the women who are supported—who have partners, family and friends who will support them through that awful situation. No woman wants to have an abortion, but many know that they have to, for various reasons, and this amendment is not about them. A mystery shopper, however, recently approached several abortion clinics posing as a young woman who was pregnant and unsure of what to do. Every time I mention BPAS there is a howl from Opposition Members, but I am going to mention it in this instance, because this is irrefutable evidence.

The individual posed at a central London clinic as a 26-year-old pregnant woman who did not know what to do, and she asked for counselling. I shall come on to the difference between counselling and consultation, but she said that she did not know what to do, because she had been given the immediate consultation, was not sure whether to go through with the pregnancy, and therefore wanted an abortion. She was told that, at that very busy clinic in central London, one hour of counselling was available at one set time per week. I believe that when she revealed her identity she was offered another hour.

In fairness to BPAS, it says that it has flexibility in the system and can offer more hours. Why did it not do so? If it has flexibility, how much is there?

Chris Bryant: I am very grateful—*[Interruption.]* The hon. Lady says something from a sedentary position. I wholly deprecate the fact that she has had threats made, but it is inappropriate to bring forward this amendment to this Bill, because if we are going to consider abortion we should be considering the whole issue in the round, not just appending something to this kind of Bill. As she knows, I disagree with her, but she will also know that the whole point of counselling, in any circumstance, is to allow a person to come to the right decision for themselves. That is precisely what BPAS, Marie Stopes and others provide, because any counsellor who does not do that is not worth their salt.

Nadine Dorries: I would love to hear how the hon. Gentleman knows that that is what happens in Marie Stopes and BPAS. He always speaks on such issues as someone with huge experience, but I am highlighting at this moment what happens. If he thinks that one hour per week, at a set time at a busy London clinic, for the entire throughput of women having abortions, is enough counselling, so be it; that is his opinion.

Fiona Mactaggart (Slough) (Lab) *rose—*

Mr Chuka Umunna (Streatham) (Lab) *rose—*

Nadine Dorries: I should like to make this point before I take any more interventions, because I also want to defend BPAS. I do not want it to look as if I am attacking the organisation, because it and, probably more so, Marie Stopes, do what they do—the clinical procedure of carrying out abortion—incredibly well. The service that they provide for the NHS is absolutely vital, and I do not want to see Marie Stopes or BPAS disappear or to diminish their roles. They have a job to do, and they do it well. Their job is the provision of clinical abortions, and I want that to continue.

Louise Mensch (Corby) (Con): Will my hon. Friend confirm that it is still safe for those of us who do not have concerns about the counselling that BPAS and Marie Stopes offer to support her amendment, because it does not prevent BPAS and Marie Stopes from offering counselling? I, for one, have no such concerns, yet I am prepared to vote for her amendment, because it does not prevent those organisations from offering advice. Will she confirm that?

Nadine Dorries: My hon. Friend is not totally correct, because the whole purpose of the amendment is to separate out the financial situation. I shall come on to that in a moment. I disagree with my hon. Friend, and if she listens to the rest of the debate she will understand why. I do not believe that the place where an abortion was carried out is the right place for someone suffering from post-abortion distress to receive their counselling—a situation that many women suffering from post-abortion distress have told me about.

Andrew Selous (South West Bedfordshire) (Con): I am grateful to my hon. Friend and parliamentary neighbour. May I for a second take the debate from the general to the particular? I think that she is on to something. I mentioned a 23-year-old constituent of mine who, having been to an abortion clinic, then went to a clinic such as my hon. Friend advocates. It was then her decision: she decided to change her mind, and today has a beautiful three-month-old daughter. She is pleased that she had the opportunity for that counselling, which no one forced her to take. That is why I think my hon. Friend is on to something.

Nadine Dorries: I hope that my hon. Friend is talking about the Crisis pregnancy centre in Dunstable, which I have visited along with many others. It does amazing work with young women.

Craig Whittaker (Calder Valley) (Con): Marie Stopes International said in the briefing that it sent to all MPs that only 2% to 2.5% of women who go through the abortion counselling process opt to keep the child. Does my hon. Friend agree that that may indicate an incredibly poor success rate among counselling services?

Nadine Dorries: I thank my hon. Friend for that intervention, because I am coming to another interesting statistic that I have not yet included in my speech.

Gavin Shuker (Luton South) (Lab/Co-op) *rose—*

Nadine Dorries: I will give way in a minute.

There is a huge disparity between the figures that show both where a woman received her counselling and her decision. In 2008, BPAS announced that the proportion of women who came to it and decided not to proceed with an abortion was as high as 20%. Unfortunately, freedom of information requests asking for the figures and the contracts with PCTs show that that is not true: the real figure is 8%, and sometimes even lower in some PCTs. I am not sure why an abortion organisation would say that its figures for women who do not proceed to an abortion are higher than they actually are.

Gavin Shuker *rose—*

Kate Green *rose—*

Nadine Dorries: I want to finish this point, and then I will give way. I know that the hon. Member for Stretford and Urmston (Kate Green) wants to intervene, and I will take an intervention from the hon. Member for Luton South (Gavin Shuker) first, in a moment.

There is a huge disparity in the figures, and the freedom of information request shows an even bigger disparity. Marie Stopes had told me—I hope I get this right—that the proportion of women who go to the organisation and do not proceed to termination is about 15%, although I do not know what freedom of information requests would show about those figures. The fact is that abortion providers are saying that 20% or 15% of women do not proceed to abortion, although freedom of information requests show that the figure is 8%, as was shown in the press this week. I have no idea why there is that disparity, or why they would say that the figure is 20% when it is not.

Several hon. Members *rose—*

Nadine Dorries: I give way to the hon. Member for Luton South.

Gavin Shuker: The hon. Lady has rightly probed the relationship between counselling and abortion on behalf of those of us who feel uncomfortable about that relationship. However, does she agree that 90 minutes does not seem like a long time for us to debate the implications of what is going on? The Bill is substantively about the nature of the NHS, and not about abortion provision. In that light, I urge her to consider whether it is appropriate to divide the House on this issue.

Nadine Dorries: I do feel that it is appropriate to divide the House on this issue, because I would like the amendment to be part of the Bill.

Several hon. Members *rose—*

Nadine Dorries: I am not going to take any interventions for a few minutes. I would like to go back to the fact that only one hour of counselling is available in a busy London clinic. I ask Members, just for a moment, to put themselves in the shoes of a 16-year-old girl who turns up at that clinic and does not know what to do. She is pregnant and panicking. Some of her friends tell her to have an abortion and some tell her not to. She does not want to tell her parents because she is scared of doing so. Her boyfriend is saying to her, "You've got to have an abortion and get rid of it." That is a mish-mash of the four or five stories a day that we hear in my office.

1.15 pm

The girl starts vomiting in the morning and carries on all day. She feels sick and ill and cannot think straight. She is not sleeping because she is scared stiff. She has not gone to school for more than a week because she thinks that people there will be able to tell that she is pregnant. She is out of her mind with worry. She turns up at a clinic and is told, "Sorry, that one appointment's been taken. You'll have to go to Richmond." The girl does not even know where Richmond is, and she has never even been to hospital without having her mum with her.

I would like hon. Members to think about what it is like for that 16-year-old girl, and what they have against a GP or somebody else offering that girl an hour's counselling so that she can talk through the issues and reach the right conclusion for her, non-advised.

Several hon. Members *rose—*

Nadine Dorries: I know that others want to speak. I have been speaking for a while and I want to get to the end, so I will keep going for a bit longer. I will take interventions in a minute. *[Interruption.]*

Mark Pritchard: Soubry, zip it! *[Interruption.]* Sorry, Mr Speaker.

Mr Speaker: Order. The hon. Gentleman should withdraw that remark.

Mark Pritchard: I withdraw it, Mr Speaker.

Mr Speaker: I am grateful to the hon. Gentleman. Let us try to maintain proceedings on an even keel. The hon. Gentleman has said that he is sorry, and that is fine.

Nadine Dorries: As I said, I do not want to look as if I am knocking abortion providers. As a nurse, I assisted with many terminations. I do not want to look as if I feel that there is no place for abortion provision. I am pro-choice and do not want to return to those other days.

Jim Shannon *rose—*

Mr Umunna *rose—*

Nadine Dorries: I give way.

Jim Shannon *rose—*

Mr Umunna *rose—*

Mr Speaker: Order. It is important that the hon. Lady makes it clear to whom she is giving way.

Nadine Dorries: I give way to the hon. Member for Streatham (Mr Umunna).

Mr Umunna: The central point of disagreement for many people is the implication in the amendment that the abortion providers—BPAS has a presence in my constituency—are incapable of providing impartial independent counselling to those who come to them. The manager and staff at the centre in my constituency have said that they find insulting the idea that when they are giving counselling they are somehow seeking to persuade those who come to them to have an abortion, when that is not the case. In fact, when I visited BPAS recently a couple of young ladies had come to the centre intending to go through with an abortion but subsequently decided not to because of the counselling that they received.

Nadine Dorries: All I can say is that we will look at the freedom of information figures that have come from the clinic in the hon. Gentleman's constituency. If what he says is the case, that must have been the year's allocation for that clinic, because the FOI request information that we have received does not show that.

Several hon. Members *rose—*

Nadine Dorries: No, I will carry on for a bit longer.

I want to talk about the difference between consultation and counselling. I doubt very much whether the constituents of the hon. Member for Streatham had counselling; I think they probably had consultation. There is a big difference. Every woman who turns up at an abortion clinic has a consultation, but that is about the medical process—the side effects and what is going to happen. Every e-mail that we receive from women on this subject involves a consultation. This is how the law stands today; my hon. Friend the Member for Broxtowe (Anna Soubry) might want to listen to this, as most of the way through she has been nodding in agreement with the adverse comments.

When a woman turns up at an abortion clinic, the clinic does not offer counselling. It does offer consultation, but the woman has to ask for counselling; it is not offered. She has to ask—or the doctor in the clinic has to see that a woman is in a particular position, or be alarmed enough by her state to offer counselling. I want to make the point very clear: counselling is not offered, but has to be asked for. *[Interruption.]* Someone says from a sedentary position that it is, but if it is, the centre is operating outside the guidelines, because counselling is not offered.

Mr Edward Leigh (Gainsborough) (Con): I am sure that many abortion providers do their level best to give advice, but that is not the point being made. Surely in any field of endeavour it is not appropriate for the provider of a service to give the so-called independent advice. That is the key point—and, frankly, the only point.

Nadine Dorries: As I have said to many people, I will come on to the financial situation and the reasons for it.

To recap, the amendment proposes that abortion clinics make an offer of counselling, which they do not make because under the guidelines they have no provision to make it—the woman has to ask for it.

Last week, *The British Journal of Psychiatry* reported that women who abort are twice as likely to suffer from mental health problems.

Dr Huppert: Will the hon. Lady give way on that point?

Nadine Dorries: No.

I do not want to ban abortion—I want it to continue—but should we not be taking better care of our young girls and women? Should we not be offering them something better? How do women get to the position of suffering mental health problems as a result of abortion?

Jim Shannon: The hon. Lady will be aware of facts and figures that indicate that a number of people who have had abortions regret it afterwards. Does she feel that if the consultation process is done correctly and the information is shown to the person who wishes to have the abortion, they would perhaps then decide that the child they are carrying could develop into a young lady and have life? Does she feel that the consultation process is clearly where the issue has to be addressed and that the emphasis has to be on the counselling, not on the abortion?

Nadine Dorries: The hon. Gentleman makes a point that is pertinent to his own beliefs. What I believe about counselling is that no advice should be given, that there should be no direction, and that it should be completely impartial. It should be an influence-free zone—a bubble—where a woman can sit and talk through the issues with somebody who is not guiding her. That is what counselling should be.

Every single day I receive e-mails from women who do not want other women to experience what they have experienced—who do not want their daughters to go through what they have gone through. I receive e-mails from staff who are working in, or have worked in, abortion clinics. I am in dialogue with some very senior members of staff of a number of organisations and abortion clinics across the UK—

Luciana Berger: Will the hon. Lady give way?

Nadine Dorries: No, I will not give way again.

Those members of staff are themselves not necessarily happy with the guidelines and the way in which they are forced to operate. I speak to people at abortion clinics across the UK who would like the guidelines to change because they do not necessarily feel that women receive the counselling that they should receive because it is not offered but has to be asked for.

Kate Green *rose—*

Nadine Dorries: I give way to the hon. Lady, who has tried to intervene several times.

Kate Green: Where in the hon. Lady's amendment is there a guarantee of the quality of counselling that women would receive from such organisations?

Nadine Dorries: I hope that the quality of counselling is determined by the professional bodies by which the counsellor is accredited—they determine the standard of counselling. It does not matter whether counselling is for an abortion, for cosmetic surgery, or for anything else—it has a defined manner in which it is delivered, which is that advice is not given, that influence is not asserted, and that it is totally impartial. Any counsellor who is trained as such and accredited by a professional body delivers counselling in that manner.

Let me return to the mental health issue and the e-mails that I receive on a daily basis. One of the problems—

Dr Sarah Wollaston (Totnes) (Con): Will my hon. Friend give way?

Nadine Dorries: No, I should like to continue. [HON. MEMBERS: "Give way!"] I will give way once more and then not until I have finished the next section.

Dr Wollaston: My hon. Friend has twice quoted the Royal College of Psychiatrists and asserted that there is a much higher rate of mental illness after termination of pregnancy, but the RCP has made it clear—any Member can look online at the draft of its very comprehensive evidence review—that we have to compare like with like. In other words, we have to make a comparison with rates of mental illness after unwanted pregnancy. Looking at the rates after unwanted pregnancy, we see that there is no difference between the rate of mental illness after termination of pregnancy and live birth. Indeed, the biggest predictor of mental ill health after a termination of pregnancy is whether somebody was suffering with problems beforehand.

Nadine Dorries: The hon. Lady makes the assumption that I want women to continue with unwanted pregnancies. That is not the case. I have made the point that abortion is here to stay for any woman who wants an abortion. The amendment simply proposes that any woman who feels that she wants or needs counselling can be offered it—that is all. I find it very difficult to understand why the hon. Lady would feel that anybody in a crisis pregnancy should not be offered counselling. Why should they not?

Mr Stewart Jackson: The hon. Member for Cambridge (Dr Huppert), who is currently fulfilling his role as Dr Evan Harris's vicar on earth, expressed the view that everything is fine at the moment. Does my hon. Friend share my concern that it is routine for primary care trusts absolutely to refuse to reveal the financial relationship they have—for instance, with Marie Stopes or BPAS—on the basis of commercial confidence, and that it takes freedom of information requests to get that information? The system is clearly not working, and if we want transparency and openness, things have to change.

Nadine Dorries: My hon. Friend is absolutely right. Not only that, but the accounts of BPAS and Marie Stopes, which are revealed via the Charity Commission, can sometimes be three years out of date—we do not get to see them until three years later. That is amazing when one considers that the Charity Commission is paid £60 million of taxpayers' money each year.

This, for me, is about the women who have contacted me and asked me to propose this amendment on their behalf, and I have to dedicate some of this speech to them. Every day I receive e-mails and speak to people—

Luciana Berger: Will the hon. Lady give way on that point?

Nadine Dorries: No.

I constantly speak to people at a high level across the abortion industry, and they always tell me that no woman goes through those doors wanting to be there. All women's stories are the same; there is a theme that runs through every single one. The individual circumstances may be different, but the stories all start in the same way and with the same questions: "Will I lose my job or

won't I lose my job?"; "Will he leave me or won't he leave me?"; "Will my parents kick me out or won't they kick me out?" The questions are all the same; there are no surprises. Many women say that once they are referred—

Dr William McCrea (South Antrim) (DUP): Perhaps this is not about this particular debate on the amendment, but I have to say that some of us in this House have the conviction that the emphasis seems to be on the right of the woman and that it is about time we spoke about the right of the unborn child. They have rights too.

Nadine Dorries: The hon. Gentleman is a man of great conviction and, I think, a lay preacher, and we all respect and honour his views. However, the amendment is not about the unborn child; it is about the woman accessing counselling.

Margaret Hodge (Barking) (Lab): Will the hon. Lady give way?

Nadine Dorries: No, I want to continue for a bit longer.

The diagnosis of pregnancy happens very quickly. One can buy a pregnancy testing kit for £1. It is possible that the reason some women suffer distress following an abortion is that they can be tested before they have even missed their first period. For some women, that is fantastic and they go straight for an abortion when they find out. For others, however, it all happens so quickly that they can be aborted by the time they are seven or eight weeks pregnant, and then afterwards, when the pressure has gone and the coercion has disappeared, they realise—

Dr Phillip Lee (Bracknell) (Con): Will my hon. Friend give way?

Nadine Dorries: May I just finish this point? When those women would have been 10 weeks pregnant, two or three weeks after the abortion, they realise that they could have worked it out and that they could have got there somehow. That is when the problems are beginning to kick in. That is why an increasing number of women are becoming very anxious about the fact that they do not receive pre-abortion counselling. That is why I receive so many e-mails and why other organisations receive them.

1.30 pm

Dr Lee: I want to place it on the record that as somebody who wants a reduction in the time limit on abortions provided in this country; who wants independent counselling to be provided; who has seen many patients who have had mental health problems post-abortion, such as self-harming and depression over 10 years; and who has been present at a termination and watched an eye go past in a tube, with a cursory reference made to it by the consultant, unfortunately I am frustrated by the way in which the amendment has been tabled. The hon. Member for Rhondda (Chris Bryant) made the point that abortion as an issue should be talked about in the round. As a consequence, I cannot support the amendment, but that does not mean that I do not support the principles and the desire to make abortion as infrequent in our society as possible.

Nadine Dorries: I thank my hon. Friend for his candour. However, I inform him that opportunities to debate abortion in this House do not come very often. In fact, the last time it happened was in 2008 when I had to table an amendment to another Bill, which was controversial. The same criticism was made that the amendment should not have been tabled to that Bill. The fact is that the Government do not make provision for abortion to be discussed in this House. Therefore, it either has to be attached to a Bill like this or it does not happen at all, unless one is drawn first in the ballot for private Members' Bills.

Dr Lee: Yes, but my point is that this is such an emotive subject—we can tell from the responses on both sides of the House that people feel passionately about this—that the debate needs to be calm and considered and the language both here and in the media must not be inflammatory or incendiary, because if it is, it polarises the debate and those of us who want to see progress towards abortion not being so prevalent in society get terribly frustrated.

Nadine Dorries: Well, I hope that the unions and the left-wing media will take my hon. Friend's comments on board.

Andrew Selous: I wonder whether my hon. Friend will clarify something. It is my understanding that if she chooses to press any of her amendments to the vote, it will be amendment 1221. I wonder if that might be more acceptable to my hon. Friend the Member for Bracknell (Dr Lee) than amendment 1, which he may have been speaking about.

Nadine Dorries: The amendments are grouped, but when I spoke to the Table Office last night, I was told that I would speak to amendment 1 and that amendment 1 would be pressed to the vote. I hope that the Clerks will clarify that. *[Interruption.]* I will take advice from the Clerks, but when I spoke to the Clerk last night, I was told that it was amendment 1. *[Interruption.]* My hon. Friend the Member for South West Bedfordshire (Andrew Selous) is going to find out for me now.

On the offer, the amendment would provide space and time to talk and think for women who are feeling confused—that is all.

I now come to the financial arrangements between abortion clinics and counselling providers. If anybody in this House were to take out a mortgage today, the person who sold them the mortgage would have to refer them elsewhere for independent advice. If it was a husband and a wife, I believe that they would have to go to separate advisers, because they cannot both take advice about taking out the mortgage from the same person. I wonder why we feel it is appropriate that organisations that take £60 million a year of taxpayers' money and are paid to carry out abortions give advice on the procedure.

Penny Mordaunt (Portsmouth North) (Con): I am a former director of the largest patient organisation in Europe, which provides services on the commissioning side and the provider side through advice and support. It is a charity that deals with long-term conditions. We had to follow extremely strict rules to ensure that there was no conflict of interests and we could not provide commissioning services to an area of the country if we

[Penny Mordaunt]

were also on the provider side. Why does she think that that situation has not existed for this particular area of health care?

Nadine Dorries: Because, unfortunately, abortion provision and counselling is never scrutinised thoroughly or legislated on. No legislation happens in this place to deal with abortion. It is an issue that can never be debated. People shy away from debating abortion because of the uproar that results so things do not happen that perhaps should happen. If one is to have cosmetic surgery and it is deemed that it might have a psychological effect, one would be offered independent counselling. That does not happen with abortion.

Mr Umunna: Will the hon. Lady give way?

Nadine Dorries: No, I would like to continue on the financial incentives.

BPAS and other organisations would say that they do not have to meet targets and that they have no financial concerns. However, BPAS has advertised for business development managers, whose primary function is to increase its market share—those are its own words in the advert. If an organisation advertises that it wants to increase the number of abortions, can we trust it to provide vulnerable women who walk through the door with the counselling that they need? On pensions mis-selling, this place has separated by law the people who provide and sell pensions from the people who advise on pensions.

Mr Frank Field (Birkenhead) (Lab): Does the hon. Lady accept that she might further her case if she concluded her contribution soon?

Nadine Dorries: Sorry?

Mr Field: My advice was that the hon. Lady might further her case if she concluded her remarks shortly.

Nadine Dorries: Yes, I will.

I will come to a conclusion now, as time is whizzing away because of the interventions. I thought long and hard before tabling this amendment. Like so many issues—

Angie Bray (Ealing Central and Acton) (Con): Will my hon. Friend give way?

Nadine Dorries: No, I am going to close. I thought long and hard about tabling this amendment. Like so many issues concerning abortion, it is a highly emotive area. There are those who believe that the right to an abortion is so sacred that, no matter what, it should never be touched, debated or reformed. There is not a single MP in this House who has not been asked by a constituent about their beliefs on this issue. I am sure that many prefer, understandably, to fudge a response, particularly when the reaction to discussing abortion can be so aggressive, as I have found to my cost.

The amendment is about one thing and one thing only: providing women with more choice. It would allow women who are at their most vulnerable greater access to support. It must be wrong that the abortion provider that is paid £60 million to carry out terminations also provides the counselling when a woman feels strong or brave enough to ask for it. If an organisation is paid that much for abortions, where is the incentive to reduce them?

I will move on to the tactics that have been used in this House to thwart the amendment. I wish to be very clear and will take no more interventions. I went to see the Prime Minister regarding this amendment and he was very encouraging. In fact, it was at the Prime Minister's insistence that I inserted the word "independent". I have attended a meeting at the Department of Health at which it was decided what process would be implemented to make this a reality.

Last weekend, the former MP for Oxford West and Abingdon, Evan Harris, who has spent most of the day in the office of the hon. Member for Cambridge (Dr Huppert)—he is still here, tabling his amendments—turned up on the airwaves expounding the theory that there is no evidence of a problem, that the amendment is unnecessary as nothing needs to be fixed, that the status quo should remain and that the abortion industry should be allowed to continue under the veil of secrecy that it has.

I received a message informing me that the former Member for Oxford West and Abingdon had approached the Deputy Prime Minister's office and exerted pressure. In fact, he tweeted exactly that, saying that he had applied pressure on the Deputy Prime Minister, who had now forced the Prime Minister to make a climbdown. Basically, a Liberal Democrat—in fact, a former MP who lost his seat in this place—is blackmailing our Prime Minister and our Government. Our Prime Minister is being put in an impossible position regarding this amendment. Our health Bill has been held to ransom by a former Liberal Democrat MP, who has focused on this amendment.

The interesting thing is that ComRes polling shows that 78% of the public support the amendment.

Martin Horwood (Cheltenham) (LD) On a point of order, Mr Speaker.

Simon Hughes (Bermondsey and Old Southwark) (LD) *rose—*

Nadine Dorries: I will not give way. The right hon. Gentleman may be interested to know—

Mr Speaker: Order. I apologise for interrupting the hon. Lady, but there is so much noise in the House that it is sometimes difficult to know whether somebody is seeking to intervene or standing for another purpose. Point of order, Mr Martin Horwood.

Martin Horwood: On a point of order, Mr Speaker. Is it in order for an hon. Member to accuse a former hon. Member of blackmail in the course of their speech? That is an accusation of a criminal offence.

Mr Speaker: I am grateful to the hon. Gentleman. My understanding at present is that there has been no breach of order. However, I would say to the hon. Member for Mid Bedfordshire (Nadine Dorries) and to the House that temperate language, moderation and good humour are the essential features referred to in "Erskine May", and it is best if they inform our debates.

Nadine Dorries: Thank you, Mr Speaker.

I think our Prime Minister has been put in an impossible position. I want every Liberal Democrat Member to know that in the polling that was done, support for the amendment was 78% among the public, but it was highest among those who voted Liberal Democrat in the 2010 election, at 84%.

Dr Huppert: Will the hon. Lady give way?

Nadine Dorries: No, no, no.

I think that is because Liberal Democrats traditionally support choice. Is it any wonder that the person in question is now the former Member for Oxford West and Abingdon?

Andrew Percy (Brigg and Goole) (Con): Will my hon. Friend give way?

Nadine Dorries: It is time to make a decision not informed by the Liberal Democrats, and without being blackmailed by a Liberal Democrat or held to ransom by the Liberal Democrats. It is time to make a decision based on our conscience. I say to hon. Members: be prepared to stand by your view today for a long time, as it will be on everyone's parliamentary record. In weighing up whether to support the amendment, Members should bear in mind the fact that 78% of the public support it. This is why we are here as Members of Parliament—to make difficult decisions such as this, not to be blackmailed or held to ransom. This is why we are MPs—because our constituents expect us to be brave. They expect us to stand up in the face of blackmail and be accountable.

Andrew Percy: Will my hon. Friend give way?

Nadine Dorries: It does not happen very often in the House, but we have a conscience vote. It hardly ever happens, but we are all personally answerable for the decisions that we take. This decision is about nothing more than supporting an offer of counselling to vulnerable women who may need it and who may use it as a lifeline.

Andrew Percy: Will my hon. Friend give way?

Nadine Dorries: How many times do I have to say no to my hon. Friend?

This is about being accountable for our views, which is what Parliament is all about. I do not see why we should shy away from putting our positions on the record. If Members want to stand in the way of a woman's basic right to independent counselling, then they should vote against this proposal. However, if they want to ensure that a woman can have access to very basic support, they should vote for the amendment. It is up to them—support these reasonable measures to provide all women with independent counselling, or stand in the way of that basic support.

This vote is about women. I want every woman in this country to be able to look every MP in the eye and ask, "How did you vote for me and my daughters? What was the decision that you took?" Every MP will be accountable for that vote and that decision today.

1.45 pm

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): The decision to seek an abortion may be the most serious and difficult that many women face in their lives, and I think it deserves some seriousness and calm in this debate.

For nearly five decades, this House has been in agreement that abortion and matters related to it should be above mere party and partisan politics. For nearly five decades, there has been a settled pro-choice majority in this House and in the country, and for nearly five decades the House has believed that when Members of all parties have religious or ethical objections to abortion, their right to vote against it should be absolutely respected. However, this amendment is not about that. It is a shoddy, ill-conceived attempt to promote non-facts to make a non-case.

Several hon. Members *rose—*

Ms Abbott: I am afraid that we are an hour into an hour-and-a-half debate, and I am anxious to allow time for other Members to speak.

The case that the amendment is intended to make is that tens of thousands of women every year are either not getting counselling that they request, or are getting counselling that is so poor that only new legislation can remedy the situation. I might say, after many years in the House, that in matters of this kind, if legislation is the answer we have almost certainly asked the wrong question.

The amendment is the opposite of evidence-based policy making. We know that the British Medical Association advises its members:

> "A decision to terminate a pregnancy is never an easy one. In making these decisions, patients and doctors should ensure that the decision is supported by appropriate information and counselling about the options and implications."

We know that the Royal College of Obstetricians and Gynaecologists guidance on abortion states:

> "Women should be given counselling according to their need—including post-abortion if she needs it. All women should be offered standalone counselling. The counselling should include: implications counselling (aims to enable the person concerned to understand the...course of action...); support counselling (aims to give emotional support in times of particular stress) and therapeutic counselling (aims to help people with the consequences of their decision and to help them resolve problems which may arise as a result)".

We know that Department of Health regulations state:

> "Counselling must be offered to women who request or appear to need help in deciding on the management of the pregnancy or who are having difficulty in coping emotionally".

We also know that all the clinics that have been discussed in the debate are inspected and regulated.

Yet the proposers of the amendment are asking us to believe, on the basis of purely anecdotal evidence, that tens of thousands of doctors, nurses and charity workers involved in the 190,000 abortions a year are wilfully ignoring both the law and the guidance of the British Medical Association and the Royal Colleges. They go further than that, arguing that tens of thousands of doctors, nurses and charity workers are merely in it for the money. They imply that those men and women are involved in some sort of grotesque piecework. It is almost as though they were paid per abortion. The

[Ms Abbott]

proposers of the amendment, I might add, also seem to be arguing that thousands of women do not actually know what they are doing. It tells us something about the validity of their claims that they are obliged to smear tens of thousands of doctors and nurses to make any kind of case. No wonder that a journalist for *The Sunday Times*—no friend of the liberal left, but one who happens to have served as a lay member of the Royal College of Obstetricians and Gynaecologists—last weekend described the amendments as a "senseless and sinister bid" to cut abortions.

Mr Kevin Barron (Rother Valley) (Lab): I agree with my hon. Friend. Any evidence that we have heard has been anecdotal—we have heard of a 16-year-old's journey and of e-mails that hon. Members have seen but that I have not. However, my hon. Friend makes a real point. The conclusion of the consultation might be that a termination takes place, but this is the only procedure in this country that requires the informed consent of two doctors. Government Members besmirch doctors by saying that such things happen daily, but that is not true. From my nine years on the General Medical Council, I recognise that we have good ethical guidelines for doctors. Nothing is done without the informed consent of two medical practitioners.

Ms Abbott: My right hon. Friend makes an excellent point.

Several hon. Members *rose—*

Ms Abbott: I would be more willing to give way were we not so far advanced in a debate that will last for only an hour and a half. I was not aware that so many Back Benchers wanted to contribute, because they have not hitherto tried to intervene.

Some colleagues have expressed their surprise that yet again we are discussing women's reproductive rights in this House, but they should not be surprised. Abortion has never stood on its own as a technical issue; it is part of a century-long debate about women's sexuality, womens's rights and women's freedoms. Sadly, for some people that is apparently still contested ground in 2011. Some even argue that the proposals are best seen as part of a wider push on the socially conservative agenda that has been so successful for right-wing politicians in America. Thankfully, in this country, that agenda has come up against a determination to keep such issues above party politics, the absence of a Fox News pumping out socially conservative propaganda 24 hours a day and British common sense.

I could say many things on the lack of an evidence base behind the amendments, but let me say this: women—both individual women and women in general—have been called in aid in this debate, and indeed they face very real problems in this society, here in 2011. They face spiralling unemployment as a direct consequence of the coalition's policies and the sexualisation of our culture, which affects younger and younger female children—*[Interruption.]* I hope that hon. Members listen to this, because it is a point that many mothers and fathers will understand. Too many young women in communities up and down the country think that the only road to fame and fortune is to pump their bottom and their breasts full of silicone and tout themselves as some sort of media celebrity. Another issue is the number of very young women who have been badly parented, who have children too young and who, with all their good intentions, parent their own children badly in turn. Even in an era of financial constraint, those are the issues that this House should be addressing.

Nobody is saying that arrangements in relation to counselling cannot be improved. I believe that the hon. Member for Cambridge (Dr Huppert) has tabled a good amendment to that effect, which some of us hope finds favour in another place. However, the Bill and the amendment are not appropriate for a full and careful debate on abortion. The amendments deal with matters that are amply covered by existing law and regulations.

Mark Pritchard *rose—*

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con) *rose—*

Ms Abbott: I shall give way to the hon. Member for Central Suffolk and North Ipswich (Dr Poulter).

Dr Poulter: The hon. Lady is making an excellent speech and has outlined the fact that there is adequate provision for counselling in the status quo. Doctors, nurses and other medical professionals who must deal with such situations every day have adequate measures in place, as the Royal College of Obstetricians and Gynaecologists has outlined. They do not look only at the medical consultation, but at the whole patient, as we have heard. If that means that counselling is required, they will ensure that their patient gets it. Does she agree that this is not the place for the amendment, which serves no purpose, and that we need to get on and debate the Bill?

Ms Abbott: I am grateful to the hon. Gentleman, who is, of course, a practising doctor who knows a great deal more about these matters than many of us in the House.

As hon. Members have heard, the amendments deal with matters that are amply covered by existing law and regulations that are well known to doctors and nurses. They deal with matters that must, at the end of the day, be between a woman and a doctor. I deprecate the extent to which amendment 1 is an attempt to import American sensationalism, confrontation and politicisation into these issues in a way that will be of no benefit to ordinary women.

There is no evidence base for the amendments, and on the basis of all the recent polls there is no substantive support for amendments of this nature. Legislation addressing the issues raised by Government Members is already in place. This House should have more respect for the medical profession and for the vulnerable women who put themselves forward for abortion in one of the most difficult periods in their lives, rather than support an amendment of this nature, which is spurious and baseless. I urge the House emphatically to reject the amendment.

The Parliamentary Under-Secretary of State for Health (Anne Milton): I feel that I need to start by saying that this debate is about women; it is not about hon. Members. It is about ensuring that women get the very best possible services that they not only need but deserve.

There was much comment and speculation ahead of the debate, not all of it accurate or helpful. It might therefore be useful if I explain the Government's approach to meeting the spirit of the amendments without primary legislation. I associate myself with my hon. Friend the Member for Bracknell (Dr Lee), who urged calm and balance. Today's debate has not necessarily reflected either of those things.

How do the Government intend to meet the spirit of the amendments?

Kate Green: Will the Minister give way?

Anne Milton: I need to make a little progress.

The Bill gives new public health functions to local government. In some cases, the steps that local authorities must take will be prescribed in regulations, which include the provision of sexual health services and abortion services. That will be a duty of local authorities and not of clinical commissioning groups—some of the amendments in the group have caused confusion about that. We intend to specify in regulations that local authorities must ensure that part of what they commission is a choice of independent counselling.

Amendments 1 and 2 would fragment the service by splitting responsibility for the commissioning of counselling and for the commissioning of the rest of the service. If they and amendment 1221 were to be made, clinical commissioning groups and local authorities would have different but overlapping duties in relation to independent counselling, and the definition of "independent" would be different for each. We would have a fragmented service, which none of us wants. Most women go to their GP, which is not the same as a clinical commissioning group, or they self-refer to an abortion provider, so amendment 1221 would not work.

2 pm

None the less, the amendments have highlighted some important issues. There are indeed no quality standards for abortion counselling, and women are not always offered the opportunity to have counselling. It is worth repeating that we want counselling to be provided by appropriately qualified people who offer non-judgmental, therapeutic support, and who act according to their professional judgment, in the best interests of their clients, without undue influence or regard to outside interests.

I know there has been considerable interest in exactly what "independent" should mean and in whether it must automatically mean independence from the abortion service provider in every possible way. That is not a simple question, and it is certainly not as simple a question as the amendments imply. There are permutations of financial, organisational and clinical independence to be considered. For example, would the amendments mean that a self-employed counsellor who had a contract with a charitable abortion provider for two days a week was independent on the other three days, or not?

Before we legislate, we want to think through all the implications—including financial and legal—of a definition. We also want to consult widely and publicly as part of our proposals to help us ensure that we really improve services for women at what we all know is an extremely difficult time in their lives. We need to consult the public; indeed, we need to consult the women about whom we are talking. We have heard passionate contributions this afternoon, and I want to harness and corral them to create the calm and balance that we all want to be established, so that we can consult and arrive at the best conclusions. I also stress that the regulations would be subject to affirmative resolution.

Whether women want to take up the offer of independent counselling will be a matter for them, but we are clear that the offer should be made. The hon. Member for Hackney North and Stoke Newington (Ms Abbott) mentioned the post-abortion period. That is a critical time on which there is little focus.

Chris Bryant: Will the Minister give way?

Anne Milton: I am afraid that time is against me.

I hope that what I have said reassures my hon. Friend the Member for Cambridge (Dr Huppert), who I believe is trying to be helpful, but we do not support any of the amendments. We intend to ensure that the independent counselling offered to women follows the highest standards of good practice. My hon. Friend's amendment 1252 is therefore unnecessary, as well as, we believe, unenforceable as currently drafted. It does not define "information or advice", and crucially, it does not mention independent counselling. Counselling is different from advice and support. However, the Government support the spirit of the amendments, and we intend to present proposals for regulations after consultation. Not only is primary legislation unnecessary, but it would deprive Parliament of the opportunity to consider the detail of how the service will develop and evolve.

Amendment 1180 would oblige the Government to make regulations requiring NICE to produce guidance on abortion services. It would also oblige NICE to make specific recommendations in the guidance. That conflicts with other provisions in the same clause that prevent central interference in the substance of the NICE recommendations. Clearly that would seriously damage the independence of NICE and its reputation for evidence-based guidance. The second part of the amendment would require health or social care bodies, or private providers of abortion services, to comply with all recommendations made by NICE, which would effectively mean that NICE was setting essential requirements for abortion services, which is not its job or function. That is the role of the Care Quality Commission, and those standards and qualities are driven by good commissioning.

Andrew Selous: We all greatly appreciate the calm and measured way in which the Minister is responding. Is she aware that, in 2006-07, a Labour-dominated Science and Technology Committee recommended that those functions should be taken over by NICE?

Anne Milton: No, and I thank my hon. Friend for raising the point. The only reason why I took his intervention was that NICE had not been given a mention yet.

Chris Bryant: Will the Minister give way?

Anne Milton: I will not, I am afraid. I must make progress.

[Anne Milton]

The amendment would not, incidentally, require local authority commissioners of abortion services to comply with NICE recommendations.

This does not, of course, mean that NICE has nothing to contribute. Hon. Members may know that it is currently considering a draft library of NHS quality standards, which includes a proposed topic on abortion services. We may have an opportunity to air the issue further at that point.

I hope that hon. Members are reassured by our proposals and by my personal involvement in the issue.

Chris Bryant *rose—*

Anne Milton: The hon. Member for Rhondda (Chris Bryant) is clearly not reassured, but perhaps he will let me finish.

It is a very long time since I worked in a maternity unit, but I worked in one run by the Salvation Army, and I have seen many young women go through the trauma of an unplanned and unwanted pregnancy. Yes, we need to do a great deal more to prevent unwanted pregnancies from happening in the first place, but when faced with such a situation, young, and indeed older, women need help and support to make the decision that is right for them without interference from any vested interests. The amendments were tabled in a spirit of improving services for women, but they will not work. They will not deliver what my hon. Friend the Member for Mid Bedfordshire (Nadine Dorries) wants, or what I want. They will not work for women. I urge my hon. Friend to withdraw her amendment and to work with me to ensure that we secure the right services for women.

Mr Frank Field: I will be brief, because I know that others wish to speak.

I thought that I would be addressing the House about an amendment with my name on it, but, for reasons unknown to me, my name was dropped from it. What I wanted to say, however—and it is reinforced by the way in which the Minister has approached the matter—is that while I thought that the original amendment involved an issue that we should consider, I believe that the Minister has dealt with it. The hon. Member for Mid Bedfordshire (Nadine Dorries) and I embarked on this journey together, and my plea to her now is not to press the amendment. The Minister has provided us with an advance which I hope will signal a change in the temper of the abortion debate in the House.

This has been one of those debates in which people emphasise motives and rarely take voting records into account. I put my name to that amendment because in every vote on the subject that has taken place in the 30 years for which I have been in the House, I have voted against wrecking the Abortion Act, and I thought that there was an issue here that should be considered. However, I feel that the Minister has more than met the point, and she has widened the debate about what the inquiry will cover. I hope that the whole House will pay attention to her and to my hon. Friend the Member for Hackney North and Stoke Newington (Ms Abbott). Presumably a report will be produced once the consultation has been completed, and perhaps we shall then be able to have a debate opened by Front Benchers in which Back Benchers' speeches are time-limited.

Despite what has happened today, I think it important for us to try to use this event to make it clear that we will have different debates about abortion in the House of Commons in future, for we should have such debates. We should be more concerned with facts, and less concerned with trying to put our sticky fingers into other people's souls and pronouncing that they have failed.

Dr Huppert: I am delighted to have a chance to speak in the debate. It is tempting to respond to all the comments made by the hon. Member for Mid Bedfordshire (Nadine Dorries), but I shall avoid doing so. Instead, I shall make just two points.

First, let me quote something that was said by the right hon. Member for Bristol South (Dawn Primarolo) before she became Deputy Speaker. She said of the hon. Member for Mid Bedfordshire:

> "The hon. Lady has asserted many things to be facts that are not... Some of the things that she is saying are not borne out by the evidence."—[*Official Report*, 20 May 2008; Vol. 476, c. 263.]

I think that that is extremely true.

Nadine Dorries: Will the hon. Gentleman give way?

Dr Huppert: Unfortunately there is not much time, but I will give way once.

Nadine Dorries: Would the hon. Gentleman care to be absolutely specific? Will he focus on what he thinks those facts are and then give me a chance to respond?

Dr Huppert: I am afraid that there will not be time to go through all that. The hon. Lady challenged me to comment on some evidence that she had provided, and then would not allow me to do so. The hon. Member for Totnes (Dr Wollaston) remarked on that.

The Royal College of Psychiatrists has clearly done a much better systematic review than the one the hon. Member for Mid Bedfordshire looked at. It shows:

> "Where studies control for whether or not the pregnancy was planned or wanted, there is no evidence of elevated risk of mental health problems."

As I have said, that is a much more detailed review.

Unfortunately, there is not sufficient time to cover all the other topics the hon. Lady would like to talk about. I congratulate her, however, as it takes a lot to unite Abortion Rights with the Society for the Protection of Unborn Children, both of which oppose her amendments. The SPUC has been very clear that it cannot ask MPs to support the amendments.

Let me move on, however, and ask whether there is actually a problem that we need to address: are there too many abortions? The best way to reduce the number of abortions is by empowering individuals, by providing better access to contraception and by providing better sex and relationships education at school to both boys and girls. Are there areas where we need better advice and counselling? Absolutely there are. People who have had a miscarriage do not get the counselling support that they desperately need. We should focus attention on that. For all the reasons that have been discussed, I urge the House to reject these amendments.

I want to speak in favour of my amendment 1252, which proposes that evidence-based advice should be given. Although the Government will not support the amendment if it is put to a vote, I was pleased to hear that they accept the principle behind it, which is that we want that expert advice. I am not a medical doctor—I am not an obstetrician or gynaecologist—but they have clearly stated what they think the best advice is, and it should be followed. We should expect all groups giving advice to live up to this high standard. Women—all people—should get proper medical advice, and it should be the best advice available. They should not be misled, and they should not have made-up risks told to them. The Royal College of Obstetricians and Gynaecologists has excellent guidance from 2004, and all organisations should stick to it. I confirm that the British Pregnancy Advisory Service and Marie Stopes stick to that guidance, and so should all other groups.

I trust the Government when they say that they will stick to that advice—the best medical advice. I have some concerns about some of the Government's other comments however, and I hope to have a chance to talk to the Minister in greater detail, although this debate has not been the forum in which to do that. I urge the House to stand up for what it believes in, to reject the presentation we heard earlier and to reject the amendments.

Nadine Dorries: First, I should point out that the hon. Member for Cambridge (Dr Huppert) was referring to an older study.

We have heard a number of points of view. I take on board the comments of the right hon. Member for Birkenhead (Mr Field) and I appreciate the response from the Minister. She is my friend, and she has gone out of her way to understand the issue and to bring this debate to a calm and reasoned conclusion.

This debate is not just about my amendment. There are many people who support it, as I have frequently stated. *[Interruption.]* I have no idea why whenever I stand the hon. Member for Rhondda (Chris Bryant) always feels the need to continue chatting; he should just be quiet.

I heard what the right hon. Member for Birkenhead said, and I have listened to the Minister. Unfortunately, I am being urged by many other people, not least those who have told their stories, to go to a vote, because there are people who want a line drawn in the sand here. I shall therefore press amendment 1221 to a Division.

I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 14

Other Services Etc. Provided As Part Of The Health Service

Amendment proposed: 1221, page 9, line 37, at end insert—

'( ) After paragraph 8 insert—

"Provision of independent information, advice and counselling services for women requesting a termination of pregnancy

8A (1) A local authority must make available to women requesting termination of pregnancy from any clinical commissioning group the option of receiving independent information, advice and counselling.

(2) In this paragraph, information, advice and counselling are independent where they are provided by either—

(a) a private body that does not itself refer, provide or have any financial interest in providing for the termination of pregnancies; or

(b) a statutory body.'.—*(Nadine Dorries.)*

Question put, That the amendment be made.

The House divided: Ayes 118, Noes 368.

Division No. 339] **[2.14 pm**

AYES

Adams, Nigel
Aldous, Peter
Amess, Mr David
Bacon, Mr Richard
Baker, Steve
Baldry, Tony
Beith, rh Sir Alan
Bellingham, Mr Henry
Benton, Mr Joe
Berry, Jake
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Bruce, Fiona
Buckland, Mr Robert
Burns, Conor
Burrowes, Mr David
Cairns, Alun
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Coffey, Dr Thérèse
Colvile, Oliver
Cooper, Rosie
Crabb, Stephen
Davies, Philip
de Bois, Nick
Dobbin, Jim
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorries, Nadine
Duncan Smith, rh Mr Iain
Durkan, Mark
Evans, Jonathan
Evennett, Mr David
Flello, Robert
Fox, rh Dr Liam
Fuller, Richard
Garnier, Mark
Glen, John
Glindon, Mrs Mary
Goodwill, Mr Robert
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greatrex, Tom
Gummer, Ben
Halfon, Robert
Hands, Greg
Hayes, Mr John
Henderson, Gordon
Hermon, Lady
Hinds, Damian
Hollobone, Mr Philip
Howarth, Mr Gerald
Jackson, Mr Stewart
Javid, Sajid
Kawczynski, Daniel
Kelly, Chris
Leadsom, Andrea
Lee, Jessica
Lefroy, Jeremy
Leigh, Mr Edward
Lidington, rh Mr David
Long, Naomi
Lord, Jonathan
Loughton, Tim
Main, Mrs Anne
Maynard, Paul
McCartney, Karl
McCrea, Dr William
McDonnell, Dr Alasdair
McPartland, Stephen
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Morgan, Nicky
Mosley, Stephen
Mulholland, Greg
Newmark, Mr Brooks
Nuttall, Mr David
Ollerenshaw, Eric
Paterson, rh Mr Owen
Percy, Andrew
Pincher, Christopher
Pound, Stephen
Pritchard, Mark
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Robertson, Mr Laurence
Rosindell, Andrew
Roy, Mr Frank
Rutley, David
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shelbrooke, Alec
Shepherd, Mr Richard
Shuker, Gavin
Simpson, David
Stewart, Iain
Streeter, Mr Gary
Swayne, rh Mr Desmond
Tomlinson, Justin
Vaz, rh Keith
Vickers, Martin
Walker, Mr Charles
Wallace, Mr Ben
Whittaker, Craig
Whittingdale, Mr John

Wilson, Mr Rob
Wilson, Sammy

Mr Brian Binley and Mr Peter Bone

Tellers for the Ayes:

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Danny
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Arbuthnot, rh Mr James
Ashworth, Jonathan
Austin, Ian
Bain, Mr William
Baldwin, Harriett
Balls, rh Ed
Banks, Gordon
Barker, Gregory
Baron, Mr John
Barron, rh Mr Kevin
Barwell, Gavin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Beresford, Sir Paul
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Blunt, Mr Crispin
Boles, Nick
Brake, rh Tom
Brennan, Kevin
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bruce, rh Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Burns, rh Mr Simon
Burstow, Paul
Burt, Lorely
Byles, Dan
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, rh Sir Menzies
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Carmichael, Neil
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Collins, Damian
Connarty, Michael
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Crockart, Mike
Crouch, Tracey
Cryer, John
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
Davey, Mr Edward
De Piero, Gloria
Dobson, rh Frank
Donohoe, Mr Brian H.
Doran, Mr Frank
Dorrell, rh Mr Stephen
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Duddridge, James
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellis, Michael
Ellison, Jane
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Eustice, George
Evans, Chris
Evans, Graham
Fabricant, Michael
Field, rh Mr Frank
Flint, rh Caroline
Flynn, Paul
Foster, rh Mr Don
Fovargue, Yvonne
Francis, Dr Hywel
Freer, Mike
Fullbrook, Lorraine
Gapes, Mike
Gardiner, Barry
Garnier, Mr Edward
Gauke, Mr David
George, Andrew
Gillan, rh Mrs Cheryl
Gilmore, Sheila
Glass, Pat
Goldsmith, Zac
Goodman, Helen
Graham, Richard
Green, Kate
Greening, Justine
Greenwood, Lilian
Griffith, Nia
Griffiths, Andrew
Gwynne, Andrew
Gyimah, Mr Sam
Hague, rh Mr William
Hain, rh Mr Peter
Hames, Duncan
Hamilton, Mr David
Hamilton, Fabian
Hammond, Stephen
Hancock, Matthew
Hanson, rh Mr David
Harman, rh Ms Harriet
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Harris, Mr Tom
Harvey, Nick
Haselhurst, rh Sir Alan
Havard, Mr Dai
Healey, rh John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Hendry, Charles
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hollingbery, George
Hopkins, Kelvin
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, Tristram
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Irranca-Davies, Huw
Jackson, Glenda
James, Margot
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jowell, rh Tessa
Joyce, Eric
Kendall, Liz
Khan, rh Sadiq
Kirby, Simon
Laing, Mrs Eleanor
Lamb, Norman
Lammy, rh Mr David
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Lavery, Ian
Lazarowicz, Mark
Lee, Dr Phillip
Leech, Mr John
Leslie, Charlotte
Leslie, Chris
Lewis, Brandon
Lewis, Mr Ivan
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lloyd, Stephen
Lloyd, Tony
Llwyd, rh Mr Elfyn
Lopresti, Jack
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McCartney, Jason
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McIntosh, Miss Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
McVey, Esther
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Milton, Anne
Mitchell, Austin
Moon, Mrs Madeleine
Moore, rh Michael
Morrice, Graeme *(Livingston)*
Morris, Anne Marie
Morris, Grahame M. *(Easington)*
Morris, James
Mowat, David
Mudie, Mr George
Munn, Meg
Munt, Tessa
Murphy, rh Mr Jim
Murray, Ian
Murray, Sheryll
Nandy, Lisa
Nash, Pamela
Newton, Sarah
Nokes, Caroline
O'Brien, Mr Stephen
O'Donnell, Fiona
Offord, Mr Matthew
Onwurah, Chi
Osborne, rh Mr George
Osborne, Sandra
Ottaway, Richard
Owen, Albert
Pearce, Teresa
Penning, Mike
Percy, Andrew
Perkins, Toby
Perry, Claire
Phillipson, Bridget
Pickles, rh Mr Eric
Poulter, Dr Daniel
Qureshi, Yasmin
Randall, rh Mr John

Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reid, Mr Alan
Reynolds, Emma
Riordan, Mrs Linda
Robertson, Hugh
Robertson, John
Robinson, Mr Geoffrey
Rogerson, Dan
Rotheram, Steve
Roy, Lindsay
Rudd, Amber
Ruddock, rh Joan
Russell, Bob
Sanders, Mr Adrian
Sandys, Laura
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Simpson, Mr Keith
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Miss Chloe
Smith, Julian
Smith, Nick
Smith, Owen
Soames, rh Nicholas
Soubry, Anna
Spellar, rh Mr John
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Straw, rh Mr Jack
Stride, Mel
Stringer, Graham
Stuart, Ms Gisela
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tami, Mark
Tapsell, rh Sir Peter
Thomas, Mr Gareth
Thornberry, Emily
Thurso, John
Timms, rh Stephen
Tredinnick, David
Trickett, Jon
Truss, Elizabeth
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Uppal, Paul
Vara, Mr Shailesh
Vaz, Valerie
Villiers, rh Mrs Theresa
Walley, Joan
Walter, Mr Robert
Watkinson, Angela
Watson, Mr Tom
Watts, Mr Dave
Weatherley, Mike
Webb, Steve
Wheeler, Heather
White, Chris
Whitehead, Dr Alan
Wicks, rh Malcolm
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Chris
Willott, Jenny
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wollaston, Dr Sarah
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Diana Johnson and Barbara Keeley

Question accordingly negatived.

New Clause 1

COMPLAINTS ABOUT EXERCISE OF PUBLIC HEALTH FUNCTIONS BY LOCAL AUTHORITIES

'In Part 3 of the National Health Service Act 2006 (local authorities and the NHS) after section 73B insert—

"73C Complaints about exercise of public health functions by local authorities

(1) Regulations may make provision about the handling and consideration of complaints made under the regulations about —

(a) the exercise by a local authority of any of its public health functions;

(b) the exercise by a local authority of its functions by virtue of section 6C;

(c) anything done by a local authority in pursuance of arrangements made under section 7A;

(d) the exercise by a local authority of any of its other functions—

(i) which relate to public health, and

(ii) for which its director of public health has responsibility;

(e) the provision of services by another person in pursuance of arrangements made by a local authority in the exercise of any function mentioned in paragraphs (a) to (d).

(2) The regulations may provide for a complaint to be considered by one or more of the following—

(a) the local authority in respect of whose functions the complaint is made;

(b) an independent panel established under the regulations;

(c) any other person or body.

(3) The regulations may provide for a complaint or any matter raised by a complaint—

(a) to be referred to a Local Commissioner under Part 3 of the Local Government Act 1974 for the Commissioner to consider whether to investigate the complaint or matter under that Part;

(b) to be referred to any other person or body for that person or body to consider whether to take any action otherwise than under the regulations.

(4) Where the regulations make provision under subsection (3)(a) they may also provide for the complaint to be treated as satisfying sections 26A and 26B of the Act of 1974.

(5) Section 115 of the Health and Social Care (Community Health and Standards) Act 2003 (health care and social services complaints regulations: supplementary) applies in relation to regulations under this section as it applies in relation to regulations under subsection (1) of section 113 of that Act.

(6) In this section, "local authority" has the same meaning as in section 2B."".—*(Paul Burstow.)*

Brought up, and read the First time.

The Minister of State, Department of Health (Paul Burstow): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

New clause 10—*Requirements as to transparency—*

'(1) Regulations may impose requirements on the National Health Service Commissioning Board and clinical commissioning groups for the purpose of ensuring that they are open and transparent in their decisions in commissioning health services for the purpose of the NHS.

(2) Regulations under this section may in particular impose requirements relating to—

(a) the imposition of minimum waiting times for patients,

(b) the imposition of clinical thresholds that a patient must reach before being eligible for treatment.

(3) The regulations may provide for the requirements imposed, or such of them as are prescribed, not to apply in relation to arrangements of a prescribed description.'.

New clause 11—*Financial duties on clinical commissioning groups: administrative costs—*

'After section 223K of the National Health Service Act 2006 insert—

"223L Financial duties on clinical commissioning groups: administrative costs

(1) The Board must direct clinical commissioning groups to ensure that their expenditure on administrative costs does not exceed a prescribed percentage of their resource.

[Mr Speaker]

(2) The Board must ensure that the total national limit on clinical commissioning groups expenditure on administrative costs in any year from April 2014 does not exceed 55 per cent. of the total spent on administrative costs by primary care trusts in the financial year 2009-10."'.

New clause 12—*Secretary of State's duty as to education and training*—

'After section 1F of the National Health Service Act 2006 insert—

"1G Secretary of State's duty as to education and training

For the purposes of improving the quality of patient care, the Secretary of State has a duty to maintain a comprehensive, multi-professional education and training system for health professionals and to ensure the continued professional development of all staff delivering NHS services."'.

New clause 13—*Providers' duty as to education and training*—

'For the purposes of improving the quality of patient care, all providers of services for the purposes of the health service have a duty to contribute towards the maintenance of a comprehensive, multi-professional education and training system for health professionals and to ensure the continued professional development of all their staff delivering health services.'.

New clause 14—*Duties of clinical commissioning groups as to persons for whom they are responsible*—

'After section 3B of the National Health Service Act 2006 insert—

"3C Duties of clinical commissioning groups as to persons for whom they are responsible

(1) A clinical commissioning group has responsibility for persons who usually reside in the clinical commissioning group's area.

(2) Regulations may provide that for the purposes of this section a clinical commissioning group also has responsibility (whether generally or in relation to a prescribed service or facility) for persons who—

(a) were provided with primary medical services by a person who is or was a member of the clinical commissioning group,

(b) have a prescribed connection with the clinical commissioning group's area, or

(c) are provided with primary medical services by a member of the clinical commissioning group.

(3) The power conferred by section 3(1B)(b) must be exercised so as to provide that, in relation to the provision of services or facilities for emergency care, a clinical commissioning group has responsibility for every person present in its area.

(4) Regulations may provide that section 3(1A) does not apply—

(a) in relation to persons of a prescribed description (which may include a description framed by reference to the primary medical services with which the persons are provided);

(b) in prescribed circumstances.

(5) The duty in subsection (1) does not apply in relation to a service or facility if the Board has a duty to arrange for its provision."'.

New clause 16—*Distribution of health service functions*—

'(1) The Secretary of State may direct the NHS Commissioning Board, or a clinical commissioning group, to exercise any of his functions relating to the health service which are specified in the directions.

(2) The functions which may be specified in directions include functions under enactments relating to mental health and care homes.'.

New clause 17—*Secretary of State's directions to health service bodies*—

'(1) The Secretary of State may give directions to any of the bodies mentioned in subsection (2) about its exercise of any functions.

(2) The bodies are—

(a) the NHS Commissioning Board; and

(b) clinical commissioning groups.

(3) Nothing in provisions made by or under this or any other Act affects the generality of subsection (1).'.

New clause 18—*Care Quality Commission: duty as regards stability of existing NHS services*—

'The Care Quality Commission, in exercising its functions, must have regard to the need to avoid existing NHS services, including but not restricted to, emergency care, intensive care, chronic and complex care, teaching, training and research or case-load, becoming viable or unstable due to an unplanned reduction in income or caseload.'.

New clause 20—*Clinical commissioning group commissioning work: public function*—

'The Secretary of State must issue directions to clinical commissioning groups which will ensure that commissioning work is predominantly retained as a function by staff directly employed by the clinical commissioning group.'.

New clause 23—*Chief environmental health officer for England*—

'(1) The Secretary of State shall appoint a Chief Environmental Health Officer for England.

(2) The Chief Environmental Health Officer for England shall give advice to and report to the Chief Medical Officer for England on all such aspects of environmental and public health as are relevant to the public health functions referred to in section 2A of the National Health Service 2006 Act and the duties referred to in section 2B of that Act.

(3) The Secretary of State shall report to Parliament annually on the work of the Chief Environmental Health Officer for England.'.

Amendment 1222, in clause 1, page 2, line 2, leave out 'promote' and insert 'provide or secure a'.

Amendment 1223, page 2, line 3, leave out from 'must' to 'improvement' in line 4 and insert 'provide or secure a comprehensive Health Service designed to promote'.

Amendment 1239, page 2, line 4, after 'improvement', insert 'and to ensure improvement'.

Amendment 1176, page 2, line 7, leave out subsection (2) and insert—

'(2) The Secretary of State must for that purpose provide or secure the provision of services in accordance with this Act.'.

Amendment 1224, page 2, line 8, leave out 'secure that services are provided' and insert 'provide or secure, either directly or indirectly, services'.

Amendment 48, page 2, Leave out lines 10 to 12 and insert—

'(3) The services so provided must be free of charge.'.

Amendment 1174, page 2, line 10, after 'services', insert 'so'.

Amendment 1175, page 2, line 10, leave out 'as part of the health service in England'.

Amendment 1177, page 2, line 12, at end insert—

'(4) For the purposes of this Act "the health service in England" is defined as those services provided under section 3 of this Act.'.

Amendment 1240, in clause 2, page 2, line 17, leave out 'with a view to securing' and insert 'so as to ensure'.

Amendment 1241, page 2, line 23, leave out 'with a view to securing' and insert 'so as to ensure'.

Amendment 1212, page 2, line 33, at end insert—

'(5) In discharging the duty under subsection (1) the Secretary of State retains the power to create a new NHS trust or provider organisation.'.

Amendment 1169, in clause 3, page 2, line 38, leave out from 'State' to end of line 40 and insert ', so far as is consistent with the interests of the health service, must exercise the functions conferred by this Act so as to secure—

(a) that inequalities between the people of England with respect to the benefits that they can obtain from the Health service are reduced, and

(b) a continuous reduction of inequalities between the people of England with respect to the outcomes achieved for them.

'(2) The Secretary of State must publish and lay before Parliament an annual report detailing the progress which has been achieved in discharging this duty, and the means by which the Secretary of State intends to fulfil this function in the following year.'.

Amendment 1183, page 2, line 38, leave out 'have regard to the need to reduce' and insert 'act with a view to reducing'.

Amendment 1197, page 3, line 1, leave out Clause 4.

Amendment 1194, in clause 5, page 3, line 16, leave out 'have regard to the need to'.

Amendment 1242, in clause 9, page 5, line 32, at end insert—

'(h) promoting co-operation between each of the authority's relevant partners.'.

Amendment 1243, page 5, line 35, at end insert—

'(4A) For the purposes of this section each of the following is a relevant partner of a local authority—

(a) where the authority is a county council for an area for which there is also a district council, the district council;

(b) the police authority and the chief officer of police for a police area any part of which falls within the area of the local authority;

(c) a local probation board for an area any part of which falls within the area of the local authority;

(d) a youth offending team for an area any part of which falls within the area of the local authority;

(e) a clinical commissioning group for an area any part of which falls within the area of the local authority.

(4B) The relevant partners of a local authority must co-operate with the local authority in the making of arrangements under this section.'.

Amendment 5, page 5, line 43, leave out Clause 10.

Amendment 1178, in clause 11, page 7, line 15, leave out from 'Subsections' to 'apply' and insert '(1), (3) and (4) of section 3C'.

Government amendment 49.

Amendment 1172, in clause 14, page 9, line 35, after 'blood', insert ', haematopoietic stem cells'.

Amendment 1173, page 9, line 37, after 'tissue', insert ', haematopoietic stem cell'.

Government amendments 50, 51 and 54.

Amendment 42, in clause 20, page 16, line 34, at end insert—

13DA Duty of the Board as to commissioning of services

In carrying out its duties in respect of the commissioning of services the Board must in the exercise of its functions have regard to the interdependency of services and the impact that the arrangements for the provision for one service may have on the financial and clinical sustainability of other services.'.

Amendment 1198, page 17, leave out lines 12 to 19.

Amendment 1184, page 17, line 21, leave out 'have regard to the need to reduce' and insert 'act with a view to'.

Amendment 1185, page 17, line 23, leave out 'reduce' and insert 'reducing'.

Amendment 1186, page 17, line 25, leave out 'reduce' and insert 'reducing'.

Amendment 1187, page 17, line 36, leave out 'act with a view to enabling' and insert 'have regard to the need to enable'.

Amendment 1188, page 18, line 4, after 'functions', insert 'have regard to the need to'.

Amendment 1195, page 18, line 17, leave out 'have regard to the need to'.

Government amendment 60.

Amendment 1203, page 19, line 28, at end insert—

13OA Duty as regards stability of existing NHS services

The Board must not exercise its functions, in particular in respect of section 13I (Duty as to patient choice) or 13K (Duty to promote innovation) in a way which could lead to existing NHS services, including but not restricted to, emergency care, intensive care, chronic and complex care, teaching, training and research, becoming unviable or unstable due to an unplanned reduction in income or case-load.'.

Amendment 46, page 22, line 12, at end insert—

'(1A) The Secretary of State must publish guidance to the Board, to which the Board must have regard, about the exercise of its powers under subsection (1).'.

Amendment 1167, page 24, line 16, at end insert—

'Duty to reduce bureaucracy

132ZA Duty to reduce bureaucracy

'(1) The Board must exercise its powers so as to reduce administrative costs in the NHS.

(2) For that purpose the Board must exercise its duties under 14A and 14C to ensure that at no time there exist more clinical commissioning groups than there were primary care trusts on 1 April 2011.'.

Government amendments 67 and 68.

Amendment 1206, page 26, line 41, at end insert—

223E1 Financial duties of the Board: needs-based allotments

(1) The Board must make allotments to clinical commissioning groups based solely on the need of the population served by each commissioning group.

(2) The Secretary of State may give directions as to how the needs set within subsection (1) are determined.'.

Amendment 1218, in clause 22, page 27, line 17, at end insert 'provided that the members of a clinical commissioning group cannot consist entirely or mainly of persons who are providers of primary medical services under section 83(2).'.

Amendment 1211, page 27, line 22, at end insert—

'(c) shall be co-terminus with the social services local authority, unless it is notified by the relevant health and wellbeing board, and the local authority, that they approve an area which is not co-terminus.'.

Government amendments 70 and 71.

Amendment 43, in clause 23, page 34, line 20, at end insert—

14PA Duty of clinical commissioning groups as to commissioning of services

In carrying out its duties in respect of the commissioning of services each clinical commissioning group must in the exercise of its functions have regard to the interdependency of services and the impact that the arrangements for the provision for one service may have on the financial and clinical sustainability of other services.'.

Amendment 1189, page 35, line 2, leave out 'have regard to the need to reduce' and insert 'act with a view to'.

Amendment 1190, page 35, line 3, leave out 'reduce' and insert 'reducing'.

Amendment 1191, page 35, line 5, leave out 'reduce' and insert 'reducing'.

Amendment 1192, page 35, line 22, leave out 'act with a view to enabling' and insert 'have regard to the need to enable'.

Amendment 1193, page 35, line 36, after 'functions', insert 'have regard to the need to'.

Amendment 1196, in clause 20, page 36, line 3, leave out 'have regard to the need to'.

Amendment 1230, in clause 23, page 36, line 7, leave out from 'consortium' to 'that' in line 8 and insert 'has a duty to secure'.

Amendment 1231, page 36, line 16, leave out from 'consortium' to 'that' in line 17 and insert 'has a duty to secure'.

Amendment 37, page 36, line 36, at end insert—

14YA Duty as to conflicts of interest

(1) Each clinical commissioning group must exercise its functions so as to ensure that any conflicts of interest, and personal and prejudicial interests are dealt with.

(2) The Secretary of State must issue guidance on how conflicts of interest and personal and prejudicial interests should be dealt with by clinical commissioning groups as part of their decision making.'.

Amendment 1204, page 36, line 36, at end insert—

14YA Duty as regards stability of existing NHS services

Each clinical commissioning group must not exercise its functions, in respect of section 14U (Duty as to patient choice) or 14W (Duty to promote innovation) in a way which could lead to existing NHS services, including but not restricted to, emergency care, intensive care, chronic and complex care, teaching, training and research, becoming unviable or unstable due to an unplanned reduction in income or case-load.'.

Amendment 41, page 36, line 43, leave out from second 'are' to end of line 44 and insert 'fully consulted—'.

Amendment 45, page 38, line 22, at end insert—

'(1A) The Secretary of State must publish guidance to commissioning consortia about its exercise of powers under subsection (1), to which each commissioning consortia must have regard.'.

Amendment 1181, page 38, line 26, at end insert—

'(3) For the avoidance of doubt it is hereby declared that nothing in this section authorises a clinical commissioning group—

(a) to disregard any enactment or rule of law, including but not limited to section 1(3), or to override any person's contractual or proprietary rights; or

(b) to charge for anything the group does in the exercise of its powers under this section which relates to any accommodation, service or facility of a type to which section 3(1) applies; or

(c) to charge for anything in relation to the exercise of its functions under section 3 or 3A.

(4) A clinical commissioning group shall exercise the powers specified in section 7(2)(f) only after consulting (to the extent that it appears to it to be practical) any person who appears to it to have an interest through its own previous research in the ideas or intellectual property in question as to whether it should exercise them and, if so, as to any financial arrangements.

(5) A clinical commissioning group shall demonstrate in its annual report under section 14Z3 how the exercise of its power conferred by subsection (1) has not interfered to a significant extent with the performance by the group of its functions.

(6) Income raised by a clinical commissioning group as a result of the exercise of powers under this section shall be specified in its annual accounts, referred to in its annual report under section 14Z13, and paid annually to the Secretary of State.'.

Amendment 1250, page 41, line 38, at end insert—

'(6A) If the opinion of a Health and Wellbeing Board given to the clinical commissioning group under subsection (5) is that the Health and Wellbeing Board does not consider that the draft takes proper account of each joint health and wellbeing strategy referred to in that subsection, and if the clinical commissioning group does not so consider it, the group shall inform the Health and Wellbeing Board, whereupon it may report to the Secretary of State that it does not consider that such a plan takes proper account of any such strategy and the Secretary of State may require the clinical commissioning group to carry out such further consultation with the Health and Wellbeing Board as he considers appropriate, or may make a final decision on the plan and require the Commissioning Board or the clinical commissioning group to take such action, or desist from taking such action, as he may direct.'.

Amendment 1171, page 42, line 23, at end insert—

'(3) If in the Board's opinion, having considered any opinion submitted to it by a Health and Wellbeing Board under 14Z12(1)(a), the plan published by the clinical commissioning group does not take proper account of each joint health and wellbeing strategy published by the Health and Wellbeing Board which relates to the period (or any part of the period) to which the plan relates, the Board must instruct the clinical commissioning group to revise its plans under 14Z10(1).'.

Amendment 1202, page 42, line 23, at end insert—

14Z12A Power of Referral of Commissioning plans to the Secretary of State

(1) If the Health and Well-being Board is of the opinion under section 14Z12(1) that a plan published by the CCG under section 14Z9(6) or 14Z10(2) and which is submitted to it in accordance with section 14Z9(6) and 14Z10(3) or 14Z11(4) or (8), does not take proper account of any relevant joint health and wellbeing strategy it may refer the matter to the Secretary of State for a decision.

(2) Regulations under this section may provide for the mechanism by which such referrals are made.'.

Amendment 38, page 43, line 9, at end insert—

'(ab) section 14YA'.

Amendment 1199, in clause 24, page 49, line 35, leave out from beginning to end of line 37 on page 50.

Amendment 1213, page 50, line 27, at end insert 'and must consult with local Health and Wellbeing Boards prior to any decision on this matter with a view to securing their agreement.'.

Amendment 1255, in clause 27, page 53, line 5, leave out 'the Secretary of State' and insert 'Public Health England'.

Amendment 1256, page 53, line 6, leave out 'an' and insert 'a suitably qualified'.

Amendment 1257, page 53, line 20, after 'authority', insert ', reporting to the Chief Executive of that authority,'.

Amendment 1253, page 53, line 21, at end insert ', and will be accountable to—

(a) the local authority, and

(b) the Secretary of State for Health.'.

Amendment 1258, page 53, line 21, at end insert—

'(2A) The individual so appointed is to be employed by Public Health England, which shall have responsibility for their professional qualification and development.'.

Amendment 1259, page 53, line 30, after 'authority', insert 'or Public Health England'.

Amendment 1254, page 53, line 42, leave out 'consult' and insert 'obtain the agreement of'.

Amendment 1260, page 53, line 42, leave out 'the Secretary of State' and insert 'Public Health England'.

Amendment 7, in clause 29, page 54, line 30, at end insert—

'(3) This section comes into force on a date to be specified by order by the Secretary of State.

(4) The time specified in subsection (3) must be after such time as the Secretary of State is satisfied that the workforce education and training functions of strategic health authorities are being fulfilled by another body.'.

Amendment 1237, page 256, line 31, leave out Clause 299.

Amendment 1238, page 257, line 29, leave out Clause 300.

Amendment 47, in clause 304, page 261, line 19, at end insert—

'(1A) Section 29 comes into force in accordance with sections 29(3) and (4).'.

Amendment 1245, in schedule 2, page 269, line 21, leave out from 'consortium' to end of line 24.

Amendment 1244, page 269, leave out lines 25 to 29 and insert—

'(3) The arrangement must include provision for the functions of the clinical commissioning group to be exercised by, and only by, its employees on its behalf.'.

Amendment 1249, page 269, leave out line 29.

Amendment 1234, page 269, line 29, at end insert—

'(4) Nothing in paragraph (3) shall authorise the inclusion of any provision for any of such functions to be exercised by—

(a) any of the clinical commissioning group's members who hold or benefit from contracts to provide primary medical services under section 83(2); or

(b) individuals who have been employees of such members; or

(c) by a governing body, committee or sub-committee which consists entirely or mainly of such members.'.

Government amendments 292 to 299.

Amendment 1170, in schedule 4, page 278, leave out lines 35 and 36 and insert—

'(a) omit "Strategic Health Authorities" and insert after "(a)"— "the National Health Service Commissioning Board", and

(b) omit "Primary Care Trusts" and insert after "(b)" — "Clinical Commissioning Groups".'.

Amendment 1247, page 281, line 10, at end insert—

'(2A) Regulations made under this section must specify that—

(a) direct payments can not be made in respect of the whole or part of a course of private health care or in respect of insurance premiums which have the purpose of providing healthcare, and

(b) direct payments can only be made in respect of services which NICE has specified are services that can be provided by the health service, having particular regard to safety, efficacy and cost-effectiveness.'.

Amendment 1248, page 281, line 23, at end insert—

11A In section 12C (Direct payments pilot schemes) omit subsection (8).'.

Amendment 31, in schedule 23, page 417, leave out lines 18 to 21.

Amendment 32, page 418, line 34, leave out lines 5 to 8.

2.30 pm

Paul Burstow: I rise to support the Government's amendments and to explain the Government's thinking on the amendments tabled by Opposition Members and other Members in the House. This large group of amendments covers a range of key clauses that enable us to deliver on a number of key tenets of the Bill: first, an NHS led by clinicians; secondly, an NHS with quality at its heart; thirdly, an NHS that is open and collaborative; and, fourthly, an NHS with clear, stronger political accountability. It is on the last point that I would like to start my remarks today.

The role of the Secretary of State has been the subject of great debate, especially in recent weeks. It is right that we should have this debate and it is a very important issue, especially given its particular complexity, but let us ensure that the debate is based on the facts. Too often, opinions have been offered and accusations made without full knowledge of what the Bill does and does not do.

Let me start by clearly setting out what the Bill does not do. First, it is absolutely not the Government's intention in this Bill to allow the Secretary of State to wash his hands of the NHS. The Government believe in a comprehensive, tax-funded NHS that is free at the point of use, based on need and not ability to pay. Nothing in this Bill will change that. Secondly, I want to reassure hon. Members that there is no question but that the vast bulk of NHS-funded health care will continue to be delivered by NHS bodies that are bound by law and their constitutions to remain as public sector bodies and to fulfil a primary duty of providing services to the NHS. Indeed, the Bill contains a new provision—for the first time—specifically to prevent any future Secretary of State or NHS bodies from acting to promote the private sector over the public sector.

Let me turn to what the Bill does. It ensures not only that the Secretary of State will remain politically and legally accountable for a comprehensive health service but that he will retain the capacity to intervene where necessary to ensure that a service is provided.

Let me start with the accountability of the Secretary of State. Not only does the Secretary of State retain a raft of specific duties that mean he cannot wash his hands of the NHS but the Bill retains the legal requirements that services should be free of charge except where already specified. It now includes requirements, too, on securing continuous improvement in the quality of services, on promoting research and the use of evidence learned from research and, for the first time ever, on the need to have regard to the need to reduce health inequalities.

Helen Jones (Warrington North) (Lab): Will the Minister explain to the House why, rather than providing a duty to act to reduce health inequalities, the Bill requires bodies only to have regard to health inequalities? It is quite possible to have regard to them and to do nothing to reduce them.

Paul Burstow: There is a clear duty on the boards to act, too, and I ask the hon. Lady why the Labour Government, in 13 years, chose not to do anything about that matter. There was never a legal duty of any sort in the past and we now have clear duties on all the bodies and on the Secretary of State. Of course, I shall come on to talk about the mandate, which has a role to play, too.

Andrew George (St Ives) (LD): I merely wish to seek clarity from my hon. Friend on some of the briefings that his Department has been putting out about the duty to provide, to which he has referred already. Those briefings indicate that there was somehow no provision in the National Health Service Act 1946 for a duty on the Secretary of State to provide. I wanted my hon. Friend to acknowledge that section 1(1) states

"and for that purpose to provide or secure the effective provision of services in accordance with the following provisions of this Act."

Equally, the National Health Service Act 1977 contains the same reference to the

"purpose to provide or secure".

The requirement to provide or secure is repeated throughout all the Health Acts.

Paul Burstow: I am grateful to my hon. Friend for that intervention. If he listens carefully to what I am saying, he will hear that I am developing an argument that will go towards answering that question. Rather than trying to answer it in a very small way now, I would rather answer it in a comprehensive way through reference to what I had planned to say to the House.

As I was saying, hon. Members should ask themselves how the Secretary of State would be able to wash their hands of the NHS while simultaneously being legally required to deliver on all the duties I have just outlined. Crucially, the Secretary of State also retains the duty to promote a comprehensive health service, which dates from the Act that founded the NHS in 1946 and has been unchanged by this Bill. The Secretary of State will also have the duty to secure that services are provided for that comprehensive health service and will have failed in that duty if they are not.

The Secretary of State also has the ability—the obligation, in fact—to set goals and priorities for the NHS through the mandate. That will set out what the Secretary of State wants the NHS to deliver, which will be updated every year. It will be widely consulted on and Parliament will scrutinise it, for the first time ever giving Parliament a detailed say in what the NHS is tasked to deliver.

The Secretary of State has further powers in addition to the mandate to impose standing rules by which the NHS commissioning board and the clinical commissioning groups must operate, which will be subject to scrutiny and control by Parliament—a power Parliament does not currently have. What is changing, however, is the Secretary of State's relationship with the NHS in terms of the role of Ministers in the commissioning and provision of services to the NHS. The Government believe that it should not be the job of Ministers to provide directly or commission NHS services, either. It should be the role of front-line professionals, who should have the freedom to focus on driving up quality of care, free from interference by Ministers in operational decisions—something that all parties in this House have said that they want to see.

We understand that all Government legislation has a responsibility to foresee the unforeseeable, to ask questions about the worst-case scenario and to ensure that the answers stand up to scrutiny. That is why this Bill contains a number of back-stop provisions to make it absolutely certain that any future Secretary of State will not be able to turn a blind eye to failings of service provision, so we have ensured that the Secretary of State has the power to step in if the board, or Monitor, is failing to deliver on its duties, including any duties imposed on the board through the mandate.

Finally, in the event of a significant emergency such as a pandemic, the Secretary of State will have powers to direct any commissioner or provider of NHS services.

Owen Smith (Pontypridd) (Lab): In the event where there is not an emergency, will the Minister confirm that under the new provisions the Secretary of State will not have the power, as he has, to direct a commissioning group to do what he thinks is appropriate for the people in that area?

Paul Burstow: No, he will not have powers of direction. Of course, powers of direction are not subject to any form of parliamentary scrutiny and can be issued by a Secretary of State by fiat. In future, this House, through regulations, will be able to look at and agree—or not—standing rules that in most effects will have the ability to direct clinical commissioning groups and the NHS commissioning board on a wide range of matters. I direct the hon. Gentleman to clause 17, which sets those out at great length.

Simon Hughes: I am listening very carefully and, as my hon. Friend knows, we have had conversations and a wider debate about this issue. I understand what he is saying about the specific power of the Secretary of State both to act and to direct if things are failing, but does he accept that some of us would still like to be persuaded that the best way of enunciating the fundamental duty at the beginning of the legislation is not to say that the principal job is to secure the provision of the services of the NHS but to write in that it is to provide them? The back-stop encompassing statement, as it were, would mean that we could be sure that the duty rested with the office holder of the role of Secretary of State in England at any one time.

Paul Burstow: I am grateful to my right hon. Friend for having given me the opportunity to talk about this at some length, and I want to give him some reassurance. However, it is hardly a back-stop to have in clause 1 something that is not what the Secretary of State on a day-to-day basis actually does. It is a back-stop to say that when things fail, the Secretary of State should be able to exercise those functions to make sure that things are put right. I would like to say a bit more about that now.

I want it to be clear that we do not envisage the Secretary of State having to intervene other than in exceptional circumstances. Nevertheless, the measures are the legislative back-stops in the Bill and it is right that they are there to protect the comprehensive nature of our NHS and to provide reassurance. To answer my

right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) directly, there are a number of ways in which the Secretary of State could secure the provision of services. In particular, he could impose requirements on the NHS commissioning board and clinical commissioning groups using both the mandate and the standing rules. He could establish, and has the powers to do so, a special health authority, and could direct it to carry out any NHS function. That power has been used in the past to establish NHS Direct—a service-providing organisation. Also, he could intervene, including by replacing the management and directing them in the event of a significant failure. Those measures are the belt and braces in the Bill to make absolutely sure that the NHS and the public are protected from all eventualities. We have ensured that the Secretary of State's powers are sufficient to ensure that a comprehensive NHS is provided, including through the public sector, rather than simply relying on existing providers and the market.

The position is clear: we are giving the NHS more freedoms and autonomy—something that many of us in the House have for many years argued should take place—and we are increasing its accountability. We are making watertight the obligations to provide a comprehensive health service that is free to all, based on need and not ability to pay.

John Pugh (Southport) (LD): Will the Minister confirm that the Secretary of State will retain his powers to create new hospital trusts and that the Bill does not change that power?

Paul Burstow: The power to establish NHS trusts is contained in previous legislation. The Bill provides for, in due course, the repeal of the provision to establish NHS trusts. As we indicated in our response to the NHS Future Forum, that will not take place for several years to come. Regardless of that, however, the Secretary of State will retain the power to establish special health authorities that can exercise a provider function.

Rosie Cooper (West Lancashire) (Lab): The Minister just said that the Secretary of State will have the power directly to remove the management of hospitals or provider organisations. Will that apply both to NHS and private providers? Will the Secretary of State's reach go that far?

Paul Burstow: We discussed yesterday at some length the role of Monitor and its powers through the licensing regime, which will apply not just to NHS public sector providers but to private and voluntary sector providers. The powers there are extensive and I recommend that the hon. Lady should look at the debate we had yesterday.

Another issue that comes up is the duty of autonomy. Amendment 1197, which was tabled by my hon. Friend the Member for St Ives—not all of Cornwall—(Andrew George), seeks to remove clause 4, entitled "The Secretary of State's duty as to promoting autonomy". This clause was highlighted by the legal team advising 38 Degrees about the changes to the role and functions of the Secretary of State. The specific purpose of the autonomy duty is to free front-line professionals to focus on improving outcomes for patients rather than looking up to Whitehall. It does not undermine the overarching duty to promote a comprehensive health service, nor enable Ministers to abdicate responsibility for the NHS.

It is our view that the legal opinion published by 38 Degrees overstates the effect of clause 4. The opinion suggests that the court will expect the Secretary of State to demonstrate that any steps he took that interfered with the autonomy were "really needed", or "essential", and that no other course of action could be followed. This is not the Government's intention and we do not believe that that is the effect of the clause. It would be sufficient for the Secretary of State to demonstrate that he had reasonable grounds for concluding that a course of action was the most effective way to act in the interests of the health service and fulfil a duty imposed on him by, for example, clause 1 or a new section 1A in the Bill.

2.45 pm

I understand, however, and I am aware that despite the provisions in the Bill there are still concerns about the role of the Secretary of State. It is understandable, when we are talking about the future of our most treasured national institution, that people should express their concerns and not be willing to tolerate even a sliver of doubt about the safety of the NHS in the future. We are determined to eliminate the doubt that has grown in people's minds and we are certain that clause 1 is watertight in framing the legal responsibilities of the Secretary of State.

There seems to be some doubt in hon. Members' minds about whether other parts of the Bill could in some way prejudice those responsibilities, in particular because of the establishment of autonomous bodies that act under their own legal powers and mandate rather than under the direction of the Secretary of State. For example, some have claimed that the Secretary of State might be able to hide behind clause 4 and take a hands-off approach even if services were in crisis, but that certainly is not our intention. We are therefore willing to listen to the concerns that have been raised and, if necessary, to offer clarification or make amendments to put beyond legal doubt the fact that the Secretary of State remains responsible and accountable for the comprehensive health service that we all want to see.

Andrew George *rose—*

Simon Hughes *rose—*

Paul Burstow: I will give way to my right hon. Friend the Member for Bermondsey and Old Southwark and then I shall make some progress because this is a very big group of amendments.

Andrew George: It is my amendment.

Simon Hughes: I am very grateful and I will not keep the Minister long. I have listened very carefully, as colleagues will have done, to my hon. Friend's extremely reassuring comments. If he and the Secretary of State are committed to working on some wording that will alleviate concerns at the beginning of the Bill, I know that my colleagues and I will be very happy to work with him.

Paul Burstow: I am grateful to my right hon. Friend. I can say no more than I have said and I think I have said what is necessary to make the Government's intentions clear. Of course, I will now give way to my hon. Friend the Member for St Ives, who has been so diligent in tabling so many amendments.

Andrew George: I am grateful to my hon. Friend for giving way and for his appreciation of the efforts I am making. I, too, appreciate his comments on the Government's intentions. It has not been my argument at any stage to suggest that the Government's intentions are dishonourable. He has mentioned the possibility of tabling amendments, but may I have some reassurance that this is a genuine and serious issue—that we need to have policy, but also, clearly, the restraint of the Secretary of State at the same time?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We must have shorter interventions, as we have a lot to get through. Hon. Members should not take advantage of the Minister's generosity in giving way.

Paul Burstow: I am grateful for your protection, Mr Deputy Speaker. I will take that as advice in relation to further interventions.

I have heard my hon. Friend's comments and I think he needs to look again at what I have said. I have been very clear that we are listening and that, if necessary, we will offer clarifications or further amendments, and I am very happy, as is the Secretary of State, to carry on those discussions.

There are a number of amendments regarding other duties on the Secretary of State that I believe would not improve the drafting of the Bill. Amendments 1240, 1241, 1169 and 1183 seek to revise the duties of quality and inequality. I know that the amendments are well meant, but they would make the duties undeliverable. The Secretary of State cannot improve quality and reduce inequalities in isolation, and the duties have to reflect that. Amendment 1194 is unnecessary as the Bill already recognises the need to promote research and the use of research evidence, and creates, for the first time, responsibilities for taking a whole-system approach to achieving this. Amendments 1184 to 1193, 1195, 1196 and 1198 seek to change the extent of similar duties on the board and the clinical commissioning groups. Each of the board's and clinical groups' duties has been drafted to ensure that the duty is suitably strong, realistic and appropriate.

Let me address the role of the Secretary of State in relation to another issue that has been misunderstood—charging. I want to be very clear that nothing in the Bill enables the board or clinical commissioning groups to charge for services provided as part of the comprehensive health service. Services will remain free at the point of need, except where legislation specifically allows for charges to be made—for example, prescription charges and charges for dentistry. The Government have also committed not to introduce any new charges.

Amendment 48, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas), who is not in her place at the moment, would prevent charges from being imposed for any service provided by the NHS. It has always been possible for Ministers to provide for charges for certain health services. There are limited provisions for charging even in the original NHS legislation introduced by Nye Bevan and the Labour Government of 1946. Under the current system, there are extensive exemptions: about 60% of the English population do not pay prescription charges, but—it is an important but—NHS charging raises over £1 billion a year of revenue that is ploughed back into services for patients, and it does make an important contribution to the overall affordability of the NHS. Therefore, I cannot accept the amendment.

The hon. Member for Brighton, Pavilion also tabled several amendments on direct payments. The amendments are unnecessary and too restrictive. Amendment 1247 would restrict direct payments to being spent on services approved by the National Institute for Health and Clinical Excellence. The great opportunity of personal budgets is that they allow people in areas where less medicalised services are provided to have much greater control over aspects of their care—those community-based services that are so important in maintaining the quality of life for many people with long-term conditions.

Finally, amendment 1248 would remove the power to extend direct payments nationally following the pilots, which are continuing. The Health Act 2009 provided that direct payments could be extended with the active agreement of Parliament using the affirmative procedure, and that seems a perfectly reasonable way of having a parliamentary check over the outcomes of the pilots that will be reported to the House next year. Amendment 1247 would prevent direct payments from being used for private health care or health insurance. The amendment is unnecessary. NHS funds could never be used to pay people's private health insurance premiums.

I shall now turn to education and training. We have already committed to introduce at a later stage in the Bill's proceedings an explicit duty for the Secretary of State to maintain a system for professional education and training. Work is ongoing and an amendment will be tabled in the House of Lords. That will be more effective and more precise than the long-term measure of simply blocking the abolition of strategic health authorities, so amendments 7 and 47 will not do.

Our vision of a modern NHS has clinical commissioning at its very heart. We want clinicians, GPs, nurses and other health care professionals to have the autonomy to commission innovative new services, and to have the true responsibility that the previous Government denied them. That involves striking the right balance between freedoms for clinical commissioning groups and their essential responsibilities to other parts of the health care service.

We made many changes in response to the recommendations of the NHS Future Forum report. We always wanted clinical commissioning groups to have a robust set of governance arrangements, to involve a wide range of other professionals and to be transparent in how they conducted their business, and we have now further strengthened those parts of the Bill so that they are very much improved.

As I said at the start of my remarks, I should like to speak briefly to a number of amendments, as I am conscious that many other hon. Members wish to speak. First, I will address some amendments that are very similar, if not identical, to those that we had the opportunity to debate at least once, and possibly twice, during the first stage of the Committee and in the re-committed Committee.

Amendment 1181, which is like amendments 45 and 46, seeks to restrict clinical commissioning groups' powers to raise additional income. As was explained in Committee, those amendments are unnecessary. The Secretary of State has already published guidance, which can be

easily updated, specifically on the powers to generate income, which applies to current NHS bodies, including primary care trusts.

Amendments 37 and 38 are on conflicts of interest. We have listened to the concerns that were expressed in the listening exercise and made changes, so the Bill already requires clinical commissioning groups to make provision for dealing with conflicts of interest.

Amendments 31 and 32 would prevent any property currently held by PCTs or strategic health authorities from being transferred to any provider that is not a public authority. As we said in Committee, we have no intention of giving away NHS property to private companies. That will not be the case and, given the safeguards that are in place, it cannot happen.

Several amendments have sought to probe accountability within clinical commissioning groups. I repeat what we said in Committee. A clinical commissioning group is not able to delegate its statutory responsibilities for carrying out its functions. It cannot palm them off or pass them on to others. Amendment 1245 would limit representation on CCG committees and sub-committees, preventing those clinical commissioning groups from inviting other professionals and experts to participate—something that we were told during the listening exercise was widely welcomed and wanted.

Amendment 1249 restricts the use of sub-committees—an essential part of any organisation with a wide range of functions. Similarly, amendment 1234 would prevent GPs or their employees from working on behalf of a clinical commissioning group, which would be a severe constraint on those groups' ability to function. Amendment 1244 would prevent a clinical commissioning group from delegating its functions to anyone other than its employees. That would make it very difficult for those groups to carry out their statutory functions effectively.

New clause 20, tabled by my hon. Friend the Member for St Ives, similarly would restrict the support that clinical commissioning groups can draw on. We want to allow those groups to access the best support and advice available—to be able to work with local authorities, third sector organisations and charities, research organisations and the independent sector. I mentioned in Committee several times, and it is worth repeating, that the support organisation established by the Neurological Alliance is proving of invaluable assistance to commissioners, and amendments such as new clause 20 would prevent it from doing the work it does for the clinical commissioning groups. I can follow the intention behind the amendments, but I hope my reassurances about the final responsibility—the statutory responsibility—for decision making in clinical commissioning groups resting with their members and the governing body are clear.

There is a raft of amendments dealing with the relationship between local authorities and commissioning groups. We want that to be a dynamic relationship, with constant dialogue and collaboration, which is precisely why the Bill proposes the establishment of health and wellbeing boards. Amendments 1202, 1171 and 1250 would introduce a new, centrally imposed procedural requirement on health and wellbeing boards and clinical commissioning groups. Clinical commissioning groups will have a duty to have regard to the relevant joint health and well-being strategy.

Where commissioning plans vary significantly from the joint strategy, the group will need to justify or consider amending its plans. Health and wellbeing boards also have the power to refer their views and concerns to the NHS commissioning board when they feel that the plans have not had proper regard to the joint health and well-being strategy. That indicates to the NHS commissioning board that the health and wellbeing board believes the CCG is actively failing to fulfil its duties. Anything further would undermine the important balance that needs to be struck in what is fundamentally a partnership relationship between two organisations that have separate sets of sovereignties and responsibilities.

The importance of that partnership approach highlights why it would be impossible to create an obligation on clinical commissioning groups to act alone to secure integration of services. How can one body decide to integrate with another against the wishes of the other? A duty cannot be imposed on one side unless the relationships exist that will allow that to take place. That can be achieved only by both parties working together, and for that reason amendments 1230 and 1231 do not contribute to that relationship's working well.

Amendment 1211 seeks to make the clinical commissioning groups coterminous with local authorities. We have accepted the NHS Future Forum's recommendation that the boundaries of local clinical commissioning groups should not normally cross those of local authorities, with any departure needing to be clearly justified as part of the establishment process set out in the Bill.

Amendment 1213 would prevent a clinical commissioning group that had received a reward under the quality premium from using that money without first securing the agreement of the local health and wellbeing boards. That would severely limit the CCG's freedom to spend its quality payment as it saw fit. Health and wellbeing boards will shape commissioning priorities through the joint health and well-being strategy, by being consulted by the CCG on their commissioning plans. Under the duties set out in proposed new section 14Z14 of the National Health Service Act 2006, the NHS commissioning board must also consult each relevant health and wellbeing board in making its annual performance assessment of those CCGs.

3 pm

Rosie Cooper: Great play keeps being made about consultation. I do not hear any play being made about the right to be heard or a right of veto, or whatever. CCGs can ask the health and wellbeing boards what they think; health and wellbeing boards might make a recommendation, but there is no obligation for anyone to listen.

Paul Burstow: The hon. Lady is completely wrong when she says that there is no obligation. There are clear duties in the Bill for health and wellbeing boards' views, and their preparation of joint strategies on health and well-being and joint strategic needs assessments, to be legally binding documents, in the sense that CCGs must have regard to them. They are not pieces of paper that can be just tossed aside and dismissed. They are very important documents in the emerging system.

Steve McCabe (Birmingham, Selly Oak) (Lab): A number of us are trying to understand what will trigger some kind of higher-level arbitration if it becomes abundantly clear to a significant group of people in a local community that the health and wellbeing board's view is not being properly considered by the CCG. At that point, when there is a clear conflict, how will that conflict be exposed so that the Secretary of State or someone else clearly arbitrates so that there is fairness, not lip service? A lot of people are anxious about that.

Paul Burstow: That anxiety was expressed in Committee by some Opposition Members. As a result of the NHS Future Forum's recommendations, we have put in place further checks to ensure that those concerns are allayed. Not least of those—as well as our view that the health and wellbeing boards should have on them a majority of elected councillors—is that they will have clear rights of membership from the local healthwatch, which will be listening to the wider community and will represent those wider concerns. They will have the views and expertise of the director of public health, the director of adult social services and the director of children's services. If they feel that the strategy that they have all agreed is not being honoured in the commissioning strategy, they can ultimately refer that matter to the NHS commissioning board, and that can lead to changes being made.

Helen Jones: Many of us are concerned that we will not know properly what is going on in CCGs, because there is no requirement for them to be subject to the Public Bodies (Admission to Meetings) Act 1960 and to meet in public. They can decide whether to meet in public. How on earth is accountability to be maintained if those bodies can decide in private—[HON. MEMBERS: "No, they can't.] Yes, they can. They can decide in private how they will consider input from the health and wellbeing boards, and what they will do about it. Where is the line of public accountability?

Paul Burstow: I fear that, unfortunately, the hon. Lady might well have dusted down an old copy of the Bill, before the Future Forum made its recommendations and we made amendments to make it absolutely clear that a CCG's governing board must meet in public. That is the decision-making body. Moreover, we also require those boards to set out in detail and publish all their decision-making arrangements—unlike PCTs, whose decisions could be made in private and no one would know.

Let me move on to health and wellbeing boards influencing commissioning decisions. Other people have questioned why we should have a quality premium at all. Indeed, amendment 1199 would remove the NHS commissioning board's ability to reward CCGs financially for the quality of services—I emphasise that—and the outcomes that they secure, or reductions in health inequalities, which is something that all hon. Members across the House want to be promoted. That is the basis on which we want things to move forward, and high-quality services should be recognised and rewarded.

With amendments made in the second Bill Committee, we made it absolutely clear that such payments will provide an incentive to CCGs to focus on improving quality and outcomes. We will work with patients and professional groups to draft the regulations to reinforce that clear undertaking, which was made as a result of listening.

Steve McCabe: Will the Minister give way?

Paul Burstow: I am conscious of the time, and the fact that other hon. Members want to move and speak to other amendments. If the hon. Gentleman will forgive me, I will make a bit more progress.

Andrew George: Will the Minister give way?

Paul Burstow: I am talking about my hon. Friend's amendment, so I will, of course, give way.

Andrew George: I am grateful to the Minister for giving way to me, as he is referring to my amendment. I think that I understand what the Government are trying to achieve here, but in order to assess properly what quality and outcomes are, that assessment must not be pre-empted. The purpose of my amendment is to ensure that good quality and outcomes are not rewarded too early after treatment, before people can make a proper assessment and know the long-term impact of a new procedure.

Paul Burstow: My hon. Friend makes a fair point—one that, I think, we would agree with entirely. That is why the Government published, for the first time ever, an outcomes framework for the NHS that is all about considering how clinical care leads to the sort of longer-term outcomes that he seeks, so I hope that that addresses his comments. That will be built into the way in which we go forward with drafting the regulations to reinforce that approach.

On the stability of services, my hon. Friend has tabled amendments 1203 and 1204 and new clause 18, which link very closely to Opposition amendments 42 and 43 on the interdependency of services. My right hon. Friend the Secretary of State spoke to two similar amendments that my hon. Friend moved yesterday. We agree with hon. Members about the need to secure continued access to services for patients. We have introduced substantial new proposals to improve on our previous plans. However, I repeat what my right hon. Friend said yesterday: this is not about securing access to the same services in perpetuity. That has never been the case, and it should not be the case. Services evolve, and we must allow new providers—whether NHS, social enterprise or private sector—to come in where they can deliver high-quality care for patients.

I shall turn now to excessive prescription and a number of issues that arise from several amendments, which would tilt the balance in a way that would turn the system much more into a command-and-control one than many hon. Members have argued that we should have for many a year. Amendment 1218 would break a fundamental principle at the heart of our proposals: that the membership of CCGs should consist solely of GPs, and that we should encourage, rather than prescribe, how they involve other professionals.

Amendments 1237 and 1238 would remove the Secretary of State's power to make transfer schemes for property, staff, rights and liabilities, thus making it less flexible to make transfers from, for example, a PCT to a CCG. I am well aware that many people feel that the ability to transfer staff in that way is an essential part of managing a smooth transition. Therefore, to deny the Secretary of State the ability to do that seems very odd. Amendment 1167 is unnecessary for the same reason. CCGs are different entities from PCTs, with different

structures, duties and functions. It does not make sense to set a limit on the number of CCGs by comparison with PCTs.

Opposition amendment 5 would delete clause 10, but Opposition new clause 14 would reinstate it, so it is a sort of hokey-cokey set of proposals, whereby a provision would be taken out and then put back in again. As the Bill includes a power to make regulations to take account of people in specific circumstances, new clause 14 and amendment 1178, which is consequential on it, are unnecessary.

New clause 11 would require the NHS commissioning board to limit the administration spend of CCGs individually and collectively by comparison to 2009-10. In other words, it would set an arbitrary starting line and effectively lock the budgets that way. An absurd shackling of the NHS commissioning board or CCGs in that way belies common sense and sound financial governance.

Amendment 1206 runs the inherent risks, as discussed in Committee, of trying to prescribe the setting allocations in legislation. I understand the concern expressed by my hon. Friend the Member for St Ives (Andrew George), and the White Paper made it clear that we want to ensure that access in every part of the country is fair and equitable. We will want to ensure that that is achieved, and I am happy to continue to discuss those issues with my hon. Friends.

Amendment 1167 is unnecessary for the same reason. CCGs are different entities from PCTs, with different structures, duties and functions, and it would not make sense to set limits in such a way. The additional statutory provisions set out in new clause 10 are also unnecessary. Imposition of a minimum waiting time would not take account of the clinical needs of individual patients, and it is for clinicians to plan care on the basis of the clinical needs of patients and their right to access the best service.

We are considering how best to prevent PCTs from imposing clinically inappropriate blanket minimum waiting times, but there are already sufficient powers in the Bill to address the issue when it comes to CCGs.

Amendment 41 is also about consultation and transparency. We have already changed the Bill to enhance the duty on CCGs to involve and consult the public, but the commissioners must have sufficient flexibility to be proportionate in how they involve patients and service users. CCGs will not be able to use that flexibility to underplay their duty to involve the public.

I want to discuss a section of the Bill that I know concerns some of my hon. Friends and which perhaps was not much discussed in Committee—public health. A number of amendments are relevant here. New clause 23 would create the role of a chief environmental health officer. The chief medical officer, however, is already able to provide the very advice that the new clause would establish a new role to provide. The chief medical officer can provide independent advice on environmental health issues. At a time of financial stringency, the new clause would create a layer of wasteful bureaucracy.

Amendments 1253 to 1260 relate to the role of directors of public health. Our position is that they should be employed by the local authority to support local government in the new role that the Bill confers on local authorities in respect of public health.

Fiona O'Donnell (East Lothian) (Lab): The Minister and the Government are fond of pausing with this Bill. I want to offer him the opportunity to pause as he comes near to the end of this long list of amendments and apologise to the many health organisations and patients organisations across the country for the anxiety and concern that he and his Ministers have caused.

Paul Burstow: I am sure that as people read the transcript of the debate they will wonder why that intervention came at this point, other than to make a cheap party point. It is one that many Members of the House will know has set the tone for much of the Labour party's contribution to debate on the Bill.

I was about to discuss an important issue, which is how we improve the health of our nation through our public health services. Returning to amendments 1253 to 1260 and the role of director of public health, we are having discussions about how best to ensure that the director of public health has an appropriate status within the local authority. There is concern about who directors report to and are accountable to. We intend to return to that matter once the consultations are concluded to make that absolutely clear, and to address those concerns.

Mr Stephen Dorrell (Charnwood) (Con): Will my hon. Friend repeat the statements that were made in a Select Committee hearing about the status of directors of public health? Is it the Government's view that, at the very least, they should encourage—and preferably make mandatory—the status of a director of public health as a senior officer of the local authority, not reporting through any other senior officer of the authority?

Paul Burstow: My right hon. Friend is right to remind the House of the clarifying statement that was made before his Select Committee. That is what we want to encourage. We are listening to the results of the consultation exercise at the moment. Such people should be officers who report to the council and to the chief executive. Those are the issues that we are considering, and we will return to the matter.

Amendment 1254 would require the local authority to obtain the agreement of the Secretary of State before dismissing its director of public health. Our view is that as the local authority is the employer, it is not appropriate for the Secretary of State to intervene directly. The Bill already requires local authorities to consult the Secretary of State before dismissing a director of public health, so there is a safeguard already built into the legislation.

Amendment 1256 would require the director of public health to be suitably qualified. It is important to be clear that, as the Bill sets out, the director of public health must be jointly appointed by the Secretary of State, who can ensure that only appropriately qualified individuals are appointed. The amendment is therefore unnecessary.

3.15 pm

Amendments 1255, 1258, 1259 and 1260 would either replace references to the Secretary of State with references to Public Health England or confer new duties on Public Health England. In legal terms, Public Health England and the Secretary of State are the same thing, and Public Health England will not be provided for in primary legislation. It will be an Executive agency, which makes amendments 1255 and 1260 superfluous.

Amendments 1258 and 1259 would effectively require the director of public health to be employed by the Secretary of State. There is, I believe, widespread support for conferring new public health functions on local government in this area. As there is widespread support for that, it follows that local government should have the appropriate expertise and resources, rather than what my right hon. Friend the Member for Charnwood (Mr Dorrell) described, and rather than having to rely on central Government or agency support.

Amendments 1242 and 1243 would extend co-operation duties for local authorities when exercising public health functions. Local authorities already have a number of co-operation duties relating to health and wellbeing, and new health and wellbeing boards will encourage integration of health and social care. The amendments would simply complicate matters unnecessarily.

Amendments 1172 and 1173 would give the Secretary of State a duty to make arrangements for facilitating haematopoietic stem cell transplantation. That is unnecessary, because of the continuing functions of the Secretary of State, which we consider very important indeed. Those are provided for under proposed new paragraph 7C of schedule 1 to the National Health Service Act 2006. The amendments are therefore unnecessary. I hope that that reassures my hon. Friend the Member for Enfield North (Nick de Bois), who tabled them.

We are also making a range of technical amendments to these clauses, with which I will not detain the House. If Members wish to have further information about those matters, I should point out that they were the subject of detailed briefings published last week to accompany the amendments.

Owen Smith: I am grateful to the Minister for his contribution. Questions about the Bill just keep coming. That is how I feel on rising to speak. We have had eight months of debate on it. So far, more than 1,500 amendments have been tabled and we have learned today that more are coming, which was news to us at least. We have two—soon to be three—versions of the Bill, as well as a very real issue between Ministers and the Opposition over how it ought to be interpreted and what tone we ought to take when debating it. I would like to address some of those questions and talk about the tone. I also want to outline how we are interpreting the Bill and state that we feel very sincerely that the Government are misrepresenting what is in it.

By way of illustration, I shall pick up on a few things that the Minister said, which I feel either raise further questions or misrepresent what is in the Bill. I want to discuss in particular the issue that was debated by him and my hon. Friend the Member for Warrington North (Helen Jones)—whether, under the aegis of the Bill, the meetings of CCGs are to be held in public. He was very clear about that. In fact, he was so clear that he had his Liberal Democrat friends bouncing up and down, shouting, "Must, must! They must meet in public. Haven't you read the Bill?" He went on to suggest that my hon. Friend had perhaps read an earlier iteration of the Bill. I know her well enough to know that she does her homework and she will indeed have read the second version of the Bill. There have been so many that it is quite easy to lose track. She will also have read schedule 2 of that Bill, which states—I will quote directly; I will not just make it up, like the Minister—

> "The provision made under sub-paragraph (3) must include provisions for meetings of governing bodies to be open to the public, except where the consortium considers that it would not be in the public interest to permit members of the public to attend a meeting or part of a meeting."

Meetings will therefore be held in public unless the consortium decides on a whim that it is not in the public interest for the public to come to the meeting—that is, for the meeting to be held in public. That is the tone that Ministers have set throughout the Bill. It is misrepresentation. It relies on the fact that there are thousands of words, acres of clauses and endless amendments. Ministers are trying to bore people into failing to look at the details, but I am far too much of an anorak; I will keep reading the Bill, keep looking at the amendments and keep drawing them to the public's attention.

Helen Jones: Does my hon. Friend agree that experience shows that when bodies are left to determine when it is in the public interest not to know what is going on, they usually do so on the basis of what would be embarrassing to them? Does he not fear that when difficult decisions are to be taken, commissioning groups will shut down public debate by making their meetings not open to the public?

Owen Smith: One needs to look at the top of institutions in this country—at the Government, and the extent to which Governments of all stripes choose what they are going to reveal to the public and what they deem not to be in the public interest. That standard is set and applied throughout public and private bodies in this country and elsewhere.

I have no doubt that there will be many instances when CCGs will determine that it is not in the public interest that the public be admitted to their meetings—in particular, for example, when they are discussing hospital reconfigurations or closures, and changes to public services that people consider to be vital in those areas. CCGs must consider all those crucial issues, but they must do so in a transparent manner, which is what we said in Committee last time round, on the previous iteration of the Bill. We have said it again and the Government still have not answered the point to our satisfaction. I call upon the Minister to amend schedule 2 once more. There is time to do so in the other place and he may well want to give that consideration.

Mr David Ward (Bradford East) (LD): As a shadow Minister, is the hon. Gentleman aware that there is a standard clause in the standing orders or constitution of every public body and every local authority throughout the country? It is for those bodies to justify what is in the public interest. That is standard in public sector organisations across the country. He is trying to make something out of nothing.

Owen Smith: No, I am trying to make a point about what the Minister said at the Dispatch Box not five minutes ago, which was that CCGs must meet in public. I am pointing out that that is not accurate. They do not always have to meet in public; they may choose not to. Whereas that may apply across the board in other public institutions, these are crucial new bodies about which there are grave concerns. We on the Opposition Benches are concerned to ensure that they should be obliged to meet in public on all occasions.

Paul Burstow: My hon. Friend the Member for Bradford East (Mr Ward) is right. That is why the outrage was expressed as it was. This part of the Bill and the schedule have the same effect as the Public Bodies (Admissions to Meetings) Act 1960. That Act does not say in a blanket way that every meeting must be held in public. It allows local authorities to exercise judgment about confidentiality. We are applying the same principles in that regard in exactly the same way as to PCTs, with the additional provision that for the first time all these arrangements must be published.

Owen Smith: I am grateful to the Minister for that further intervention, just as I assume that he is grateful for the intervention of the civil servants in the Box, who must have passed him a note. Clearly, he was not aware of that earlier. When he said that CCGs must meet in public, he was under the impression that that was the case.

Nicky Morgan (Loughborough) (Con): Will the hon. Gentleman give way?

Owen Smith: No. I shall move on now. We have debated the topic long enough.

Andrew Gwynne (Denton and Reddish) (Lab): My hon. Friend is right to be concerned about the way this part of the Bill is drafted. It is incredibly open-ended for the consortium to decide what is exempt from public knowledge. That is quite different from the situation in local government in England, where the Local Government Act 1972 prescribes what is exempt from the press and the public.

Owen Smith: Indeed. The key difference is that it is for the clinical commissioning groups, in establishing their constitution, to determine what the rationale will be for allowing the public in or not. That is not set down in statute or in direction from the Minister or the Secretary of State. It is for individual CCGs to determine when they should let the public in. I give way to my colleague on the Bill Committee.

Nicky Morgan: I am grateful to the hon. Gentleman. I remember discussing with him whether he was a lawyer, and he was proud to say that by background he was not a lawyer. As he knows, there will be occasions when a clinical commissioning group is considering a matter which is sub judice. It could be an employment law matter; it could be a confidential matter relating to a patient—for example, a mental health patient for whom there has been very sensitive care. There will be times when it is appropriate and in the public interest and that of relatives—*[Interruption.]* I am making the point to the hon. Gentleman, not to those on the Opposition Back Benches. There will be occasions when it is appropriate for the CCG not to meet in public, as I am sure he will concede as a matter of common sense.

Owen Smith: I will not dispute that there may be occasions when it will be appropriate for the CCG to meet in private, but that is not what the Minister said. My point was to do with the tone and the misrepresentation that has been systematically applied by those on the Government Benches. That is the difference.

Dr Wollaston *rose—*

Owen Smith: I shall not give way any more on that issue. *[Interruption.]* I was enjoying it too, although I would be surprised if the Minister was. I shall move on, if I may, to questions. As I said, there are many questions.

The Minister said today with his usual candour and clarity that the vast bulk of health care will in future be delivered by NHS services. That is a new one on me—"the vast bulk of health care". That raises two questions. Will he characterise what he means by "the vast bulk", and what he means by "NHS services"? In a world in which we will have a much more mixed economy, with a much greater mix of public and private providers working under the banner of the NHS, it is far from clear whether those things will be provided through what we have understood traditionally to be a public NHS or through some new hybrid NHS that the Minister is cooking up in the laboratory at the Department of Health.

The Minister said a moment ago that there were many amendments. He is a master of understatement, as ever. There are about 100 amendments in the first group, and a further 100 or so to be debated later today—part of the 1,000 amendments that have, extraordinarily, been tabled at this stage of the Bill, eight months after it first appeared.

3.30 pm

I will consider the amendments in three broad groups. The first group relates to the duties of the Secretary of State. The second group relates to the creation of the national commissioning board and the clinical commissioning groups, and the consequent disaggregation, or break-up, of the hitherto integrated and collaborative national health service, which is what we believe will happen. The third group encompasses the important issues relating to the cost of the envisaged Government actions for NHS staff, for their education and training and for their terms and conditions.

In addressing all those things, as the Minister keeps telling us and as I have repeated, tone is very important. The Opposition have repeatedly been accused of scaremongering and misrepresenting the Bill in a cynical fashion. Is the Minister seriously saying that all the people who have criticised the Government and levelled accusations that this is a damaging Bill are scaremongering, because it is not just the Labour party? *[Interruption.]* The Minister says from a sedentary position that he did not use the word "scaremongering". His colleague, the Minister of State, Department of Health, the right hon. Member for Chelmsford (Mr Burns), used that word on three separate occasions yesterday, and I have noted the Secretary of State use it on several occasions. I have no doubt that, were I to read the *Hansard* reports of the Bill Committee's sittings, I would find that the Minister had used the word, because it has been very popular on the Government side of the House.

The word "scaremongering" is popular, because it is what the Government think we are doing. *[Interruption.]* The Secretary of State says that we are, so perhaps he will get up and tell us whether the British Medical Association, the Royal College of General Practitioners, the Royal College of Nursing, the Royal College of Midwives, the Royal College of Psychiatrists, the Chartered Society of Physiotherapy, the Royal Pharmaceutical Society, the British Association of Occupational Therapists and the Association of Medical Research Charities—the

alphabet soup of medical organisations that have criticised the Bill—are all scaremongering? Do they all misunderstand the Bill? *[Interruption.]* He is not just talking about us, because in many instances we are raising the same concerns that those groups have raised both in detail and in broad terms.

I want to start—I have not even got rolling yet—by stating in the strongest possible terms that it is the Government who are being cynical in systematically obscuring the true intentions of the Bill and misrepresenting our profound concerns, because there is nothing hyperbolic or synthetic about them. They are very real concerns. We feel that the NHS, as a national, universal, publicly controlled and publicly financed institution is jeopardised by the Government's proposed reforms. Not tomorrow maybe, or next year, but eventually and gradually it will be jeopardised by the new laissez-faire, localised, commercially driven and legally contestable version of the NHS. *[Interruption.]* The Minister sighs, but all those things are precisely what the new system is about. The matter will be tested in the courts, and the first things that we will test are the duties of the Secretary of State.

We feel that progressively the national, strategic and equity-driven system that we have had in the past 60 years in this country will be undermined. Worst of all, we feel that wider society, because of the obfuscation carried out by the Minister, will only really spot it when it is too late. We will only really miss the NHS, as we have known it, when it is gone. It is particularly ironic that, at a point when many people in the House and elsewhere are thinking about what binds our society together and what are the things we want to nurture, how we bring about a sense of community, collectivism and mutual support, as well as self-reliance, one of the institutions that is the shining example in our society of all those values is being so profoundly undermined by the Government. Is that scaremongering? I do not think that it is. I do not think that we need to rely on our words or those in the medical profession who have criticised it. We can rely on the words of the Government, because they have been very clear about their intentions. They stated in the White Paper:

"Our aim is to free up provision of healthcare, so that in most sectors of care... effective competition stimulates innovation and... increases productivity within a... market."

As the Minister of State put it on TV, "We want a genuine market." As the Secretary of State put it, "I believe it would be right for us to have price competition." He has changed his mind about that, just as the Government have been forced to change their mind about a lot of things, but nevertheless I think that it is legitimate for us to point to those as reasons for being deeply concerned about the trajectory of the Bill.

The Minister opened his remarks by talking about the duties of the Secretary of State, which I will move on to now because they are absolutely critical to the debate. We believe that the changes to the Bill, even in its third iteration, will fundamentally diminish the political accountability of the Secretary of State. As with the competition issue, the critical change is one that has been profoundly contested by the Government, but we think it is very clear. With respect to the changes introduced after the pause, we think the Bill still places at one very large step removed from the Secretary of State the fundamental duty to provide or secure the provision of health services in England, removing the duty that was placed on the Secretary of State by the National Health Service Act 2006, the National Health Service Act 1977 and all NHS Acts since 1946.

Initially, the Government were not at all coy about that; they were absolutely up-front about wanting to remove political micro-management, as they kept putting it, from the NHS. In the White Paper, they said:

"The Government will liberate the NHS from excessive... political control".

Paul Burstow: Is it still the Opposition's policy to seek a division between the role of commissioning or purchasing health services and the provision of those services? Does the hon. Gentleman believe in that split?

Owen Smith: Yes. The current situation is clear: the Secretary of State has a legal duty placed upon him in the legislation to secure and provide—not just to promote—a comprehensive health service in this country, and to issue direction to PCTs and SHAs, such that they so do. Those two crucial aspects of the current legislation are being changed in the Bill, and I intend to discuss them in a moment.

In version 1 of the Bill, the Government were less coy, because it actually excised section 1 of the original 1977 Act. After the deluge of criticism, however, they decided that they needed to put it back in, making it explicit, as they put it, that the Secretary of State will be responsible, as now, for promoting a "comprehensive health service".

Section 1 of the Act was duly reinstated, as was the duty to promote, but there was a critical change, in clause 1(2) of the new Bill, which diluted the traditional duty to provide and secure. Ultimately, it placed a duty on the Secretary of State only to

"exercise the functions conferred by the Act so as to secure that services are provided".

I shall come on to the reason why that is significant, but equally significant and allied to it was the retention—against the advice of Opposition Members and many others—of clause 10, which amends section 3 of the 2006 Act, thus keeping commissioning bodies, not the Secretary of State, as the parties with a legal duty to provide health care in England.

The net effect of those changes—despite what the Minister said earlier, and despite what the Secretary of State has said on several occasions, including notably on Second Reading—is no change. The Secretary of State is still, as the Minister put it, washing his hands by divesting himself not of the NHS but of a direct duty to provide a comprehensive health service. That is the distinction which the Minister failed to make today. The Secretary of State is palming off that precious duty, which has been placed upon successive Secretaries of State, and handing it on, via the mandate, to a quango and to unelected commissioning bodies.

The Secretary of State for Health (Mr Andrew Lansley): If the shadow Minister is so concerned about the Secretary of State's legal ability directly to provide services, will he answer me a question? Does he know the last time the Secretary of State for Health actually directly provided any services? In the Department of Health, we cannot find out when it was.

Owen Smith: With the greatest respect to the Secretary of State, who I have to confess knows a lot about the NHS and about the health service in this country, I think that that question is completely erroneous—a total red herring. As I said earlier, the practical reality is that the Secretary of State delegates—*[Interruption.]* No, no, no. The Secretary of State delegates to PCTs and SHAs his powers to provide, but, as I am going to tell the Secretary of State, he will know that under the aegis of this new Bill he will not have the power to direct clinical commissioning groups to do what he says, so he will not have a direct personal duty to provide. On the courts, we heard another interesting thing earlier from the Minister of State. He said that it was okay, because the Secretary of State will be able to justify in court when he directs a CCG to act. That is very important, and I am keen to hear the Secretary of State's response to it, but I do not think that he has one that will convince us.

Mr Lansley: The hon. Gentleman has admitted that for decades the Secretary of State has not directly provided services, and I know that that is true. The issue is about having a legal duty, not to provide services but to secure the provision of services. He admits that that is done through delegation, which is in the structure of the Bill through the delegation of that responsibility to the national health service commissioning board and the CCGs. The mandate, which my hon. Friend the Minister has clearly explained, is much more transparent and accountable to Parliament for the manner in which the Secretary of State secures the discharge of those duties.

Owen Smith: With respect, there is not a legal duty on the Secretary of State to provide, as there has been in successive health Bills. When Bevan talked about hearing the bedpan dropped on the ward in Tredegar, he did not mean that he wanted to pick it up. *[Interruption.]* I do not know whether the Secretary of State wants to listen. Bevan did not mean that it needed to be picked up by the Secretary of State, but he certainly meant that he would like to be able to direct those responsible operationally for picking it up so to do.

The critical difference in this Bill is that the Secretary of State will divest himself of not only the duty to provide that service, but the power to direct the operational parts of the NHS, save for—*[Interruption.]* The Minister is waving his head, nodding or something; I know what he is going to say. Under the Bill, save for in cases of crisis or emergency, the Secretary of State will not have responsibility for running the day-to-day operations of the NHS.

Paul Burstow: The hon. Gentleman is wrong again. Unlike the previous Government, who were happy to have directions that did not have any parliamentary accountability, this Government are putting in place the ability, through regulations, to set the standing rules for the NHS, which, as set out clearly in clause 17, include all the issues that the hon. Gentleman is concerned about and show that the Government are committed to ensuring that there is a comprehensive health service.

Owen Smith: As the Minister has just confirmed by omission, there will be no power to direct and therefore no power to deliver absolutely a comprehensive, universal health service as we have come to expect and understand it. Those are the key differences. *[Interruption.]* The Minister can shake his head, but that is an accurate interpretation of what has happened.

Rosie Cooper: My hon. Friend has been talking about mandates. Will he explain under what mandate and how the Secretary of State is implementing all these structural changes? The House has not voted on them and the process started before the Bill came to the House. You are making structural changes, damaging the health service and making it impossible—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am sure that the hon. Lady will not be using "you".

Rosie Cooper: Forgive me. I am for ever doing that, and I must stop. In essence, I am saying that the Secretary of State and Ministers keep talking about mandates and what they will and will not do, yet they are disregarding everything because they are implementing the Bill before it has been sanctioned by the House or the other place.

Owen Smith: I am grateful to my hon. Friend for that intervention. As she will know, the Government have no mandate for any of these things—they were not in the manifesto, the election or the coalition agreement. There is a mandate, but not one to effect these sorts of changes. That is another disgrace given how large the changes are.

I am going to move off this issue, but I will conclude by reading back to the Government their own words, which make it absolutely clear what they are doing in getting rid of direction. Paragraph 66 of the explanatory notes states:

> "Currently, the Secretary of State is directly responsible for providing or securing the provision of all health services as set out in the NHS Act, a function which is largely delegated to Strategic Health Authorities and Primary Care Trusts...However, the new commissioning structure proposed by the Bill means that this would no longer be the case."

The explanatory notes also state that

> "functions in relation to the health service are conferred directly on the organisations responsible for exercising them".

Effectively, the Secretary of State will move on and his focus will shift to public health.

Paul Burstow: I want to be absolutely clear about this. The hon. Gentleman is happy with an arrangement that allows the Secretary of State to make directions to the NHS that do not require him to come to this House to account for his actions—is that correct?

3.45 pm

Owen Smith: I am happy—we are happy—with the Secretary of State being properly, publicly accountable through this House and having a legal duty placed on him to secure and provide politically accountable health services in this country. We are deeply concerned that the changes envisaged in the Bill, which radically alter the nature of the NHS, will not be able to be held to account through the Secretary of State in future Parliaments. That is our profound concern about the line of direct political accountability that so many of the Minister's hon. Friends share, which is why they have tabled amendments to that effect and why they have repeatedly raised these

[Owen Smith]

concerns in the Bill Committee and elsewhere. The Minister does not have those concerns, but many other Liberal Democrats do.

Andrew George: I have to say that I entirely respect my hon. Friend the Minister. The hon. Gentleman's point echoes what I said earlier in contradicting the Department of Health's claim that the original 1946 Act did not have a requirement to provide or secure services. My quote provided evidence that that requirement has always been there. The Department also claims that because of the changes it is no longer legally acceptable for the Secretary of State to have that responsibility, but that issue has not been properly addressed. Would the hon. Gentleman care to deal with the point that it may no longer be legally acceptable for the Secretary of State to have that duty?

Owen Smith: As I said earlier, or rather as somebody said on my behalf, I am not a lawyer—I am a historian. As a historian, I agree with the hon. Gentleman that the 1946 Act does indeed say:

"provide or secure the effective provision of services".

He was entirely right in that, and I could not understand the response from the Minister.

The key thing is that eight months, two Bills and 1,500 amendments later, we are still debating clause 1 and its legal interpretation. That is testament to just how badly botched this Bill has been and just how alarming it is for many people—patients and NHS staff—that we, the legislature, do not understand, or have divided views about, our understanding of the critical responsibility of the Secretary of State.

Steve McCabe: Before my hon. Friend moves on to the next section of his speech, perhaps I can return to the question of a mandate. Given that this is such a botched Bill, given what he says about the tone of the proceedings, given that at this stage nobody seems to understand exactly what are the implications of some of the Government's claims, given the fact that the Government are not willing to entertain people's legitimate concerns, and given that there is no mandate in either Government party's manifesto for this Bill, the other place is presumably not bound by the Salisbury convention, and if the Government will not entertain those concerns here, it will be the duty of the other place to address them.

Owen Smith: It will. I have no doubt that the very many lawyers in the other place will have a field day in addressing these issues—just as, we fear, lawyers the length and breadth of this land will have a field day, not only during the passage of the Bill but for many years to come. That is because so many things will be contested, not only relating to the issues we are debating but, far more importantly, in relation to competition, which we debated yesterday, where it is undoubtedly the case that decisions that have hitherto been made to provide services from within the family of the NHS will be challenged by carpetbaggers—profit seekers—from outwith the NHS. Under the future provisions, those issues will need to be tested in the courts. The Government have conceded that on several occasions, and I am sure that they would do so today if they were asked.

Finally on the issue of the Secretary of State, and once again to hammer home the point that this is not just Labour scaremongering and that lawyers will be involved at every step of the way, I draw Members' attention to the independent legal opinion that was provided by Stephen Cragg QC. Paragraph 1 of the executive summary states:

"It is clear that the drafters of the Health and Social Care Bill intend that the functions of the Secretary of State in relation to the NHS in England are to be greatly curtailed."

It goes on:

"Effectively, the duty to provide a national health service would be lost if the Bill becomes law. It would be replaced by a duty on an unknown number of commissioning consortia with only a duty to make or arrange provision for that section of the population for which it is responsible."

It states that the Bill is

"fragmenting a service that currently has the advantage of national oversight and control, and which is politically accountable via the ballot box to the electorate."

That was the view of an independent QC on reading the Bill. It is a view that I and the Opposition share. I suggest that Ministers read it very carefully and do not dismiss it, as they have done today, as an inaccurate reading of the Bill.

Nicky Morgan: Is that the independent legal advice given to the campaign organisation, 38 Degrees? If it is and if the hon. Gentleman has any influence over that group, can he persuade it to release and make public the instructions given to counsel, because any instructing solicitor who instructs counsel to give advice usually gives very clear guidelines on, or an indication of, what they want the advice to say?

Owen Smith: I am ever so grateful to the hon. Lady for that intervention, because it is profoundly rich for anybody on the Government Benches to suggest that we should prevail upon an independent organisation to publish the instructions that it offered to an independent QC, when the Government will not even publish the independent advice that they have commissioned. They have refused to do so repeatedly. They will tell us that they do not agree with this independent opinion, but they absolutely will not publish their own. I suggest that she makes representations to those on her Front Bench, and I will do the same to 38 Degrees if I have a chance.

The independent legal advice goes on to say:

"Encouraged by the structure and clear intention of the Bill to give consortia autonomy from the Secretary of State,"—

which is, of course, in clause 4 of the new Bill—

"there is a real risk of an increase in the 'postcode lottery' nature of the delivery of some services, depending on the decisions made by consortia."

That increase in the postcode lottery takes me on to the second set of proposals that I wish to touch on, which we believe would stop the Government effectively legislating to hardwire the postcode lottery into our NHS. We accept that it is already too variable across the country and that there needs to be greater equity and standardisation, with excellence provided to everybody across the country. That will become all the more difficult with the new provisions.

New clauses 10 and 11, which were tabled by the Labour Opposition, are designed to combat some of the possible malign consequences of the changes that

hand to clinical commissioning groups the ability to determine the needs of the local health population and to set their priorities without interference or support from the Government, or indeed from regional strategic health authorities.

Dr Poulter *rose—*

Owen Smith: I am delighted to give way to the hon. Member for Central Suffolk and North Ipswich (Dr Poulter), who has such an acute interest in Wales.

Dr Poulter: The hon. Gentleman is making some good points. Does he accept that within a national framework of gold standard and good treatment, there will be regional or local variations in the needs of patient groups? For example, given health care inequalities, mental health and the higher rates of cardiovascular problems in ethnic minority populations, patients in Bradford may have very different health care needs and priorities from patients in the area of rural Suffolk that I represent. Does he agree that the Bill goes some way towards allowing local flexibility that will better address some of the different local health care needs?

Owen Smith: I accept that there are obviously different needs and that there is a good case for a needs-based assessment model being used by PCTs in the current situation or by CCGs. Indeed, one of the amendments tabled by Liberal Democrat Members on a needs-based assessment is excellent and I wish that we had tabled it. However, the crucial difference, which I alluded to earlier, is that previously the Secretary of State has had a direct duty under section 3 of the National Health Service Act 2006 to provide and secure a whole range of relevant and necessary pieces of the health ecosystem, such as hospitals, within a given area. Under the Bill, that duty will pass to clinical commissioning groups. That is a further crucial removal of responsibility and accountability from the Secretary of State and transference of them to CCGs.

Under the aegis of the Bill, many CCGs may well plan well for their local population, and perhaps better than primary care trusts, but what if they do not? What if they get it wrong and determine for clinical reasons—or, dare I say it, because in this new world they are sitting cheek by jowl in the boardroom with commercial players who have a stake and a skin in the game financially—that they no longer feel it is "reasonable", as the Bill puts it, to provide certain services? I think that is perfectly foreseeable.

We already know that because of the cost pressures that PCTs are under, they are having to make difficult decisions about which services they will provide and which they will not. They have always had to do that. It is just possible that CCGs will make duff decisions with which local residents disagree. As we heard earlier from my hon. Friends on the Back Benches, they will not be able to be held to account in the way that the Secretary of State, and eventually PCTs through the Secretary of State, can currently be. Those changes are critical, and I suggest that the Minister reflects on them.

Another crucial change to the Bill that we would like to be brought about is in respect of the costs of bureaucracy. We are changing from 150 PCTs to more than 250 clinical commissioning groups and counting. The latter are smaller and less strategic, and certainly less experienced in commissioning, than PCTs or strategic health authorities, and they are arguably too small to compete equitably with very large and financially powerful foundation trusts. That is a real risk. Crucially, they will also increase transaction costs, bureaucracy and administration costs.

That is why, in new clause 11, we have decided to ask the Government to put their money where their mouth is. The Minister asked earlier why we had chosen an "arbitrary" figure of 45% for a cap on the volume of expenditure on administration by CCGs. The answer is simple: it was the number that the Secretary of State came up with. He said that that was how many percentage points he was going to trim off the administration and bureaucracy costs of the NHS. He boasted that he could deliver 45% savings, so we are calling on him today to put his money where his mouth is and legislate for that. Let us measure him against that, because there is not going to be much else that we can hold him accountable for.

We have tabled new clause 10, on waiting times, because targets and standards absolutely matter in the NHS. No matter what the Government keep telling the public, we still believe in clinical targets, including some that the Government would denigrate as "bureaucratic" or "administrative" targets. In new clause 10, we ask the Government to take the power to set transparent regulations relating to waiting times. Waiting times are going up under this Government. There have been 400,000 people with long waits since the Tories came to power. The trajectory and the sense of history repeating itself are depressingly clear to me and my hon. Friends.

David Tredinnick (Bosworth) (Con): I think the hon. Gentleman might inadvertently have misled the House. He said that waiting lists were going up in the NHS. My recollection is that they are going up in Wales. He is shadow Wales Minister, I think.

Owen Smith: I was waiting for that intervention and looking forward to it. I was slightly concerned, when the hon. Member for Central Suffolk and North Ipswich intervened and failed to mention the fair and beautiful country of Wales, that I was not going to get the opportunity to put the record straight. I hate to tell the hon. Member for Bosworth (David Tredinnick) this, but he is wrong. Waiting lists in Wales are coming down. We have been hitting 95% of our target week in, week out, month in, month out since September 2009.

4 pm

I will concede that the Labour Government in Wales had a problem with orthopaedic waiting lists because of a lack of capacity and too few orthopaedic surgeons, but they invested an additional £65 million to deal with orthopaedic waiting times. I am confident that that will have an effect, but the key is that we still have and observe waiting targets in Wales, and we expect that people will hold us to account in hitting them, whereas in England we are getting rid of waiting targets. What is happening as a result? Waiting times are going up, as happens every time the Tories come to power.

We have also seen from the Co-operation and Competition Panel, which the Government are keen to pray in aid on other matters, that minimum wait times are now being set by PCTs in England in anticipation of

the increased autonomy that they will have. They are already deciding they will carve out their budgets and curb costs by setting minimum waiting times, and by introducing independently determined—not NICE-determined—clinical thresholds for treatment. Those things are entirely unacceptable, as the Secretary of State conceded in a letter to my right hon. Friend the shadow Health Secretary. However, they are symptomatic of what we will see in a busted-up, fragmented and disaggregated NHS. Without strategic regional oversight, local decision making will compound the postcode lottery.

New clause 14 is an important proposal. It is designed to prevent those who shout the loudest under the new fragmented system from gaining the most, and from gaining an inequitable share of health care resources. That has been a traditional concern of health care policy under different Governments, and it remains a concern of the Opposition.

The Bill makes commissioning bodies—CCGs—responsible for both the people on their practice lists and people living within their boundary area who are not on the practice list of another CCG. The Opposition have argued against that for two key reasons. First, as Liberal Democrat Members will recognise, the measure makes population-based needs assessment impossible. That kind of structure means that totting up potential customers and patients within an area cannot be done, because they will not live in a single, defined area. Some people who do not live in the area might need to be covered because they are on the list, and others will not need to be covered even though they live in the area. Secondly, the Opposition are against the kind of system in which the most vocal and well informed, and perhaps the wealthiest, can shop around for the best GP practice, and therefore the best consortium, which could be outside their immediate area.

New clause 14, alongside amendment 5, which would delete clause 10, would make the people in the area of a CCG its primary responsibility. Regulations would allow CCGs provision for other people, such as those on their practice lists, but they would always remain responsible for the people in their area.

Education and training is another crucial measure in the Bill that we are shoehorning into this very short debate—it is perhaps one of the greatest concerns of the medical fraternity. We have tabled several proposals on that: new clauses 12 and 13, amendments 7 and 47. On staff terms and conditions, we have tabled amendment 1168. In addition to providing the strategic, regional tier of NHS government, SHAs have a key role in education and training, including, crucially, hosting deaneries and in work force planning. Those are obviously linked to questions of emergent innovation, changing need in a local area, and any potential consequent reconfigurations of hospitals. They are absolutely central to how we run the NHS and plan for its future.

It is therefore scandalous that we come to this juncture, many months after we started our debates on the Bill, with SHAs—the repositories of the training and planning function in the NHS—on the verge of being abolished. Their abolition has shifted from seven months to around 14 months, but in legislative terms SHAs are on the verge of being done in by the Government. However, the Government have absolutely no idea what they will replace the education and training facilities with—and the Minister has had the temerity to come to the House today and inform us that a new amendment is to be tabled in the House of Lords to deal with this crucial part of the Bill.

Paul Burstow: I have said that before.

Owen Smith: The Minister has not said it before in a public realm of which I am aware. He certainly did not say it in the Public Bill Committee, all 40-odd sessions of which I feel I sat through. The Minister knows that the issue is crucial, because the Future Forum that he commissioned said so. Indeed, it said that

"one of the most widely voiced criticisms of the proposed changes was a deeply felt concern at the risks to healthcare education and training in England posed by the fast pace of change."

The Government responded by saying:

"we will introduce an explicit duty for the Secretary of State to maintain a system for professional education and training as part of the comprehensive health service."

We are still waiting. What will that duty look like? *[Interruption.]* The Minister says "We have said that we are going to do it", but here we are, eight months and 1,500 amendments later. How long must we wait? Are we sure that we will see the duty introduced in the House of Lords? Are we positive about that? I must say that I am not certain about it.

Paul Burstow: The shadow Minister rarely criticises the Government for telling the House again what they said in the response to the Future Forum, which is that we would introduce that explicit duty. We will introduce it in the House of Lords, as I have told the House today. We are committed to doing so, having listened carefully to the concerns of NHS professionals.

Owen Smith: The very simple question to be asked is "Why the delay?" Why could the Minister not have introduced it earlier? We have known about the problem for eight months and more. The Secretary of State, who has been keen on changes such as this for a long time, must have given some thought to what he was going to do about staff training and work force planning in the NHS.

Mr Barron: It was clear from the day of its publication that the Bill, which abolishes the structure that had kept education and training in place, would create chaos in the national health service. Here we are, hundreds of amendments later, with a resubmitted Bill. Our debate on the outcome has been crammed into two days, which is wholly unsatisfactory, and the Government still cannot tell us what will replace the structure that has been in place for so many years. That is a nonsense.

I listened to the Minister's speech earlier. He was telling people—people outside, including professionals who want this kind of professional development on a continuing basis—to have faith in what might happen at some stage. I have to say that I have little faith in what the Government have done with the Bill from the very beginning.

Owen Smith: I entirely agree, and my faith is diminishing by the minute. I do not understand why the Government cannot simply concede that they have signally failed to deal with this crucial aspect of the Bill. It took them months to produce the revised failure regime. They managed to drag that out in time for Report, but they

have not produced the impact assessment, they have not produced any figures showing how much this will cost the public purse, although we know that the amount is rising—I should love the Minister to tell us by how much—and they have not produced a solution to the crucial problem of staff training and work force planning. That is a disgrace. They could have and should have done it by now.

New clause 13 would place a further duty on providers, related to what is in the earlier new clause. It would oblige them to make provision for training and work force planning for their own staff, thus filling another gaping hole in the Bill. As the Minister might say if he intervened on me, Monitor may well have powers, under the pricing clauses, to pay less under the tariff to providers who do not engage in training, but nothing in the Bill compels new entrants—especially private providers—to give their staff any training, or to deal with any costs that the NHS has traditionally had to bear for the education of the work force.

We all know that in the incredibly fast-moving and innovative world of health care, keeping staff up to date is absolutely crucial. That is why—I hate to say it—despite the news that we are to have an amendment in the Lords, we will attempt to press amendment 7 to a vote. It proposes the retention of SHAs until and unless we know precisely what the Government will put in their place in respect of training and administration.

NHS staff is another group that is profoundly concerned by the shambles, chaos and confusion that Ministers have overseen. Under the Bill, they are described as assets and will be transferred lock, stock and barrel between new providers. The new providers may be a private company—such as Helios, Bupa, UnitedHealth, or whoever else decides it is interested in running the NHS in future—and the staff may be transferred to the new providers. The Minister shrugs, suggesting that that is a misrepresentation, so I challenge him to intervene on me and state what he seemed to imply earlier: that what I have just said is not the case.

Schedule 23 makes that explicit, however. It provides for the transfer of NHS staff and other assets. It allows such so-called assets to be passed in future from NHS entities to the new CCGs. That can happen to any

"person who provides services as part of the health service in England and consents to the transfer".

Under schedule 23, any NHS member of staff—or a building or intellectual property—can, so long as they agree, be transferred to anybody else who is licensed to provide services to the NHS. I find that extraordinary, but not quite as extraordinary as the next provision, which refers to NHS bodies being able to transfer all such assets—what a delightful way to refer to people—to a "qualifying company", whatever that means. I will be delighted if the Minister tells us what the term "qualifying company" in schedule 23 means.

Alison Seabeck (Plymouth, Moor View) (Lab): Does my hon. Friend join me in sharing the concerns of many public health consultants in this regard? They sometimes cover three areas of work, so in one area they could go to the commissioning board, in another they could go to children's health commissioning, and in another area of their job they could go to the local authority. What are those people supposed to do? I suspect some of them will leave the service.

Owen Smith: My hon. Friend is close to health workers and health professionals in her constituency, and she knows that people are leaving the service in droves. It is *not just managers who will be sacked from primary care* trusts or transferred across to they do not know what kind of organisation elsewhere. Clinicians are also deciding that they no longer think the job is worth the candle, because of the endless top-down reorganisation—something we were told we would not see from this Government, although it just keeps on coming. I fear that the situation will get worse in coming months. We will have to wait and see what the capacity of these new CCGs—and, potentially, the national commissioning board—will be, because we do not yet know who will be left standing at the end of this endless round of changes.

In summary—*[Interruption.]* It is a long summary, and if hon. Members keep talking it will get longer. In summary, we have had eight months of debate in this place, two—and soon to be three—versions of the Bill, with 1,500 amendments, hundreds of protest meetings across the country, and 450,000 signatories to a petition trying to "kill the Bill". Those extraordinarily high numbers are a reflection of the importance of the NHS to the British people, to the NHS workers and to us, the Labour party.

For many in our society the NHS remains the shining symbol of the civilised collectivist values that first informed its creation 60 years ago, and they rightly view its continuation and their stake in it as part of their British birthright. We in the Labour party view it as a cherished part of our heritage. It also shines a light for us to the future, and we will not stand by and let how we have known it to be for these past 60 years fall into the pages of history. In 1946 we legislated to realise the vision of a collaborative and comprehensive national and public service, as part of the essential glue of that post-war society. This Bill promises instead to give birth to a denationalised NHS—a denatured NHS—divided by competition law, and conquered by profit seekers and carpetbaggers from across the globe.

Ministers, especially the Secretary of State, should remember that it is never too late to change one's mind—it is never too late to save the NHS. We are appealing for them to do so and they would do well to do so. They should remember, too, the dire and, I trust, accurate prediction and warning given by the man who was proud to be the midwife to the NHS—the Welshman, Nye Bevan—in 1946. He said that

"no government that attempts to destroy the Health Service can hope to command the support of the British people."

That was true when he wrote it in 1951 and it will be true in 2015 when the Prime Minister asks the people to trust him on the NHS. I hate to tell the Secretary of State and, indeed, the Prime Minister this, but no amount of Ashcroft-funded airbrushed billboards pleading with people to trust the Tories on the NHS will count, because the evidence of their perfidy is written in black and white throughout this Bill, and it will be remembered at the next election.

4.15 pm

Guy Opperman (Hexham) (Con): I wish to start by making it clear that I am a big supporter of the NHS. I probably should declare an interest, because I have spent too much of the past six months discovering it from the inside. As is commonly known, I had a brain

[Guy Opperman]

tumour in April, which was removed by the national hospital for neurology and neurosurgery in Queen square, where I received outstanding care and treatment from the doctors and nurses.

That was not the first time that I had had my life saved by the NHS. Although my girth would deceive hon. Members, I used to be a jockey, and when I was trying to win a race at Stratford, the second last fence proved too much for the horse and me, we turned over and on my left hand side I was entirely crushed by a steeplechaser. I broke about 11 bones and cut my left kidney in half. I had a splenectomy and a very good doctor at Warwick hospital saved my life. I also wish to make the point that I have an NHS background: my grandmother was a matron in a district hospital, and we have spent an awful lot of time in the Hexham constituency supporting the Hexham hospital and the Freeman hospital, in particular.

I support the Bill, and I wish to touch on a couple of the points that have been raised. For a time I earned a living as a barrister, reviewing health care bodies and public bodies of a general nature. I hope that that qualifies me to discuss competition law briefly. If hon. Members were to read, as I have had to over the past few months, some of the representations that have been made about competition, they would believe that it is a new evil being introduced into the NHS. However, that is manifestly wrong, as the Enterprise Act 2002 and the Competition Act 1998 were introduced under the previous Government and have been operating in the health service for a considerable time. I see some hon. Members shaking their heads, but the argument supported by the shadow Minister cites that exact point: in the form of a variety of institutions and undertakings, the UK health service is subject to competition law under the 2002 Act, the 1998 Act and European community laws on competition. This is therefore not a new thing, nor should it be, because it was introduced by the previous Government and large parts of the Bill follow on from what was done previously.

I shall touch briefly on procurement, because the issue has been raised in this House. It is not a new thing for procurement matters to be challenged or to be subject to judicial process. Judicial process itself is not a bad thing. I have heard people say countless times in these past two days of debate, "This is going to be a den of iniquity for lawyers. It will be so bad that there will be lawyers all over this case. It will be really difficult for people to proceed with the health system." I brought a case against a primary care trust in 2005, 2006 and 2007, with a view to trying to change the law and the way in which that PCT was operating. Before anyone jumps up to discuss that approach, I am pleased to say, first, that we changed the law to assist the patients, secondly, that the whole case was conducted entirely pro bono—for free—and thirdly, that two separate Labour Attorney-Generals gave me national awards to support my efforts. I do not expect that to happen again in a hurry. The point is that if we operate the process correctly—I shall talk about the process briefly in a second—we, and the commissioning consortia, will not be the subject of legal challenge.

That will always be the case with any public body: if it operates in a statutory and well-authorised way and provides the degree of consultation that it should, it is not open to challenge. It is not myself or the Government who would decide that, but a High Court judge considering a matter of judicial review. But if the public body—in the form of the NHS or the commissioning consortia—does not act properly, behaves beyond its powers or breaches natural justice in any way, it should and will be open to judicial review and other legal process. That is entirely proper.

I therefore do not believe that this will be a process through which huge numbers of judicial reviews will arise, as new issues for the NHS. I do not think that that will be the case at this stage. The hon. Member for Pontypridd (Owen Smith) talked at great length about the commissioned barrister's opinion and 38 Degrees, but that barrister's opinion makes the simple point:

"The Bill does nothing to make the system more amenable to challenge in the courts".

Let me finish my points about competition and the duty to provide. I suggest that there is no fundamental change whatsoever. That is also the suggestion that the individual counsel made clear. I make the point that he is a junior counsel, not a Queen's counsel, and there is no disclosure of instructions, the conference notes or any of the other things that would be vital to an understanding of the opinion. It has been wholly misrepresented by 38 Degrees, and there is no change—

Owen Smith *rose—*

Guy Opperman: I am sorry, but I am going to keep going. The hon. Gentleman had about an hour to talk, and there are an awful lot of people who would like to talk about these matters.

I suggest that there is no fundamental change, and this is clearly a way forward that is being implemented for the benefit of patients. We are concerned with patient care and the quality of outcomes. I as a patient, like many other people in this House, am not concerned with the quality of outcomes other than to ask, "Is it a good outcome?" That is the important thing, and to suggest that private provision of the outcome and of the service provided is fundamentally bad is simply wrong. Such provision was introduced and brought in by the previous Government, and it assisted the public provision. The two can work together, and that is a good thing. I shall support the Bill, and I make this point to finish: the NHS is clearly a wonderful institution that all in the House cherish and support, and this is a Bill that supports it.

Valerie Vaz (Walsall South) (Lab): It is always a pleasure to follow the hon. Member for Hexham (Guy Opperman), and it is good to see him sitting in his place. I welcome him back to the House and commend him on his great recovery. He is actually looking better than before, if I may say so.

Let me take up one point that the hon. Gentleman made. As a barrister, he will want people to go to litigation, but as a solicitor I mostly counsel people not to. It is the most terrible, prolonged and costly event—but I appreciate that he wants litigation, because that is his bread and butter.

As for the legal advice, I asked on a number of occasions for the legal advice that the Department had and it was refused on all those occasions. The hon. Gentleman can talk about 38 Degrees, but thankfully that organisation is interested in the public and knows

that they need the legal advice that was not provided, even though it was paid for with taxpayers' money. I challenge the Secretary of State to lay it in the House of Commons Library, if the other advice is so hurtful to him. What is the problem? His Bill is being discussed and there is nothing to hide. I say that he should place his legal advice in the Library.

I am a Member of the Select Committee on Health and Sir David Nicholson, the new chief executive of the NHS commissioning board, appeared before us when I was first elected. He was then on the verge of retirement—

Mr Lansley: No, he wasn't.

Valerie Vaz: He was: he had a very big smile on his face and he said, "I'm about to retire." *[Interruption.]* With the greatest respect, the Secretary of State was not there. Sir David was asked to stay on to preside over the NHS commissioning board, which he has described as

"the greatest quango in the sky."

I think that the NHS commissioning board is going to be the new Secretary of State for Health, with all the powers but none of the accountability. The NHS has been quangoed—not coloured orange, as in the advert, although that might happen when the Bill goes to the other place, but coloured the blue of betrayal. These are not reforms: they are a complete dismantling and looting of our precious resource. This is not selling off the family silver, but selling off the whole estate, the freehold and the family crest.

It is not just Opposition Members who are concerned about accountability. There are widespread concerns about the accountability of the NHS commissioning board and commissioning consortia regarding public money.

Andrew Percy: Will the hon. Lady give way?

Valerie Vaz: No, I will not.

I again ask the Secretary of State for Health what discussions he has had with the Cabinet Secretary about the change regarding accountability for the public money that will be transferred—£60 billion of it—to those quangos. If he is asked questions about this in the House he will say that it is an operational matter.

I want to show hon. Members what the scenario will be like, because this is already happening in my constituency and this is what it will be like throughout England. The out-of-hours GP and urgent care service provider Waldoc has just lost the contract to provide out-of-hours services after 16 years, without a right of appeal to the strategic health authority and despite a patient satisfaction rate of 95%. When the contract was lost and staff turned up to find out whether they had jobs, they did not even know whether they would have a job the next day. That is how they have been treated. This has been happening in most PCTs, as some Members will know from their constituencies. People have left, vital expertise has gone and no one from the Government side has been able to give us a figure for the redundancy costs. When I asked the Minister how much this whole reorganisation would cost, he said he did not know the figure and that there was no new money. That must mean that money has come out of services.

We have, however, had a figure—£1.4 billion—from Professor Kieran Walshe of Manchester university. No wonder waiting times have gone up. Members of the public need to know that in an increasing number of areas, consortia will be conducting competitive tenders in which, potentially, foundation trusts, the constituent members of consortia and commercial providers will be bidding. Clearly, there will also be a conflict of interest. It has been estimated that a single procurement process can cost from £5,000 to £30,000. That is a waste of public money, and the whole regime of procurement is a waste of costs.

Paul Burstow *rose—*

Valerie Vaz: What is so extraordinary is that the Secretary of State does not want to be the Secretary of State; he wants to let the Future Forum consult and listen to people, but that is not how decisions are made in government. In government people hear the evidence from all sides—*[Interruption.]* I have made it pretty clear: the Minister has had his time, but I am a Back Bencher and I do not get much time to speak.

People in government hear the evidence from all sides and weigh things up. Then they make a decision reasonably and give their reasons. The Secretary of State is hiding not only behind the Future Forum but behind the NHS commissioning board. He is like Macavity the mystery cat:

"At whatever time the deed took place—MACAVITY WASN'T THERE!"

I would like to draw hon. Members' attention to a paper dated 29 August 2011 by Dr Lucy Reynolds, Dr John Lister, Dr Alex Scott-Samuel and Professor Martin McKee, "Liberating the NHS: source and destination of the Lansley reform", which I will place in the Library. It draws a link between a paper written in 1988 by the right hon. Member for Wokingham (Mr Redwood) and the Minister of State, Cabinet Office, the right hon. Member for West Dorset (Mr Letwin). It is therefore no surprise that when the Minister of State, Cabinet Office was called in to look at the proposals he endorsed them, because they were his. Paragraph 3 of the paper is entitled "Implementation of the Redwood/Letwin Plan in the Lansley reform". The paper was sent to me by a young academic who said that his life had been saved twice by the NHS but would not have been saved under an American-style privatised health system.

The most recent satisfaction survey by Ipsos MORI last March showed 72% public satisfaction with the NHS, but it was not published by the Department of Health even though the Department had asked for it to be done. Members will have seen a report from Colin Pritchard and Mark Wallace which said:

"In cost-effective terms, i.e. economic input versus clinical output",

the UK health service was "the most cost-effective" in reducing mortality rates, compared with the US health care system.

Finally, I say to hon. Members—including the hon. Member for Hexham—as they think about what has been said, "Stand up for democracy, stand up for the trust between elected representatives and their constituents, and stand up for the NHS: vote against this Bill."

4.30 pm

David Tredinnick: I am most grateful for being called to speak and for the opportunity to follow my colleague on the Health Committee, the hon. Member for Walsall South (Valerie Vaz), and my hon. Friend the Member for Hexham (Guy Opperman), and to say how pleased I am to see my hon. Friend in his place. I know from experience—not personal experience—just how tough that operation can be, so many congratulations to him on his recovery.

I want to make a short speech on just one issue—patient choice, which is one of the most important, if not the most important, aspects of the Bill—and to challenge my right hon. Friend the Secretary of State on one or two points. Chapter A1 13H sets out the duty that the board has, in the exercise of its functions, to

"promote the involvement of patients, and their carers and representatives...in decisions about the provision of health services to...patients."

That patient choice depends on clinical commissioning, the subject of the amendments before us, and that in itself hangs on the "any qualified provider" policy, modified recently from "any willing provider". There I have some concerns.

The TUC brief summed up "any qualified provider" very well:

"Under AQP, patients will be able to choose which provider to use for their treatment, from a list of approved providers (private, public or voluntary sector) who perform the service in exchange for a locally or nationally set tariff."

Where I have a slight problem is that although the categories of treatment that can be employed, certainly in the transitional year 2012-13, have been set out in the operational guidance, I think there is a strong case for the guidance to be in the Bill itself.

However, I am very pleased to see at the top of the list musculoskeletal services for back and neck pain, and I presume, although it is not set out, that that means greater use of osteopathy and chiropractic, both regulated by Acts of Parliament, in 1993 and 1994. I had the honour to serve on the Committees considering those Bills. As the public are to have greater choice, we must look at providing that choice, and they will be asking for those services. They will also want acupuncture for musculoskeletal problems. Acupuncture has been approved by NICE and there are now NICE guidelines supporting acupuncture for use in these services. I would like my right hon. Friend the Secretary of State to consider at some point making a more positive, more specific commitment to the use of those services in the provision for patient choice.

There is a strong case for the "any qualified provider" policy to be set out in the Bill too, although it is set out in the operational guidance. The problem that may occur is in the qualification process. I have no problem with its asking for safe, good-quality care or with the governing principle of qualification being that practitioners be registered with the Care Quality Commission and Monitor, but what about those therapies that do not have those badges in their passport? What about traditional Chinese medicine, which is about to be regulated by the Health Professions Council? May we have a specific assurance that its practitioners can be part of this patient system? Traditional Chinese medicine and acupuncture have increased in popularity dramatically—Chinese practitioners may now be found in any town in the country.

I suggest to my right hon. Friend the Secretary of State that other therapies should be included in the list. He has produced a second list of services to be introduced in 2013-14, which includes community chemotherapy and home chemotherapy. If we are to offer patients choice on those chemotherapy services, we really ought to consider those who can support people who are exhausted after chemotherapy and radiotherapy. I am thinking of not only those who practise traditional Chinese herbal medicine and acupuncture, but the healing fraternity and those who use therapeutic touch, many of whom now work in NHS hospitals to great effect.

I should also like to refer to homeopathic medicine, which I have discussed when you have been in the Chair before, Madam Deputy Speaker. I think I am right in saying that your constituency is not far from the Bristol homeopathic hospital, so perhaps you will not call me to order on this, especially as I am trying to stay in order. Many people use homeopathy every day to cure simple ailments, because it is cheap, easy to understand and very effective. Even if there are not umpteen double-blind placebo-controlled trials, there is a wealth of evidence that it works. I would draw my right hon. Friend's attention to the fact that the Royal London hospital for integrated medicine, which used to be called the Royal London homeopathic hospital, has the highest patient satisfaction rating of all hospitals in the United Kingdom.

There is a case for including in the Bill clearer direction about the services that will become available. I ask my right hon. Friend to smile on those other disciplines that do not have statutory regulation but perhaps have robust non-statutory, voluntary regulation, such as acupuncture, and ensure that when patients go to their doctors and say, "Doctor, this is what we've used; this is what we really want," they will not be turned away.

Joan Walley (Stoke-on-Trent North) (Lab): Following the hon. Member for Bosworth (David Tredinnick) illustrates the problems that we have with the Bill: even at this stage, specific details need to be discussed and have a case made for them, so that the future of NHS provision can be fully taken on board. At the same time, because of how the Bill has been handled—we have had a re-committal—we have a political debate.

The debate on this specific group of amendments is taking place on two levels. I certainly want to ensure that the true principles of the NHS and its founding fathers, such as Nye Bevan, are followed in future provision. We need that political debate to ensure that the NHS is politically accountable. We have almost lost that opportunity, because we are in this mess, with all this uncertainty and not knowing how the Bill will shape up and go forward. We risk losing the whole of the NHS altogether.

Many people who are part of the medical profession and others who are concerned about their own future health care have contacted me, because they want the Government to be in control and the Secretary of State to have a duty to procure and provide services. This is a political debate, as much as anything else, but it is difficult to have that political debate within the confines of the amendments, although they are central to that debate.

Lyn Brown (West Ham) (Lab): One of my biggest worries about the Bill is that it will stop me intervening in the health service to encourage outcomes for my constituents who come to me for help and advice. Does my hon. Friend agree that it will diminish my ability to represent them, rather than enable me to do so?

Joan Walley: My hon. Friend is right. Constituents go to Members of Parliament as a last resort to try to ensure fairness in how the system deals with everything. I have just had a high-profile case in my constituency relating to the postcode lottery, which my hon. Friend the Member for Pontypridd (Owen Smith) referred to.

Paul Burstow: The hon. Lady is making some important points and is trying to respond to that raised by the hon. Member for West Ham (Lyn Brown). Interestingly, the hon. Member for Leicester West (Liz Kendall) earlier recounted all her concerns about the PCT and how it has dealt with GP services in her area. The anxiety seemed to be that the PCTs were not accountable, but the hon. Member for Stoke-on-Trent North (Joan Walley) now seems to be saying that they are.

Joan Walley: We have just had an awfully long debate about precisely that issue. Many of us would say that the PCTs were not operating accountably, but Members of Parliament could have influence and bring pressure to bear. The last resort is through the Secretary of State, and it is important that that should be retained in the Bill.

Owen Smith: Does my hon. Friend agree that the critical points are that there is an unknown into which we are stepping with the Bill and that the presumption is that the culture will be different? There will be a presumption of autonomy, being hands off, less accountability and more localised decision making. It is therefore perfectly reasonable to presume that we will have less input.

Joan Walley: That is right and it comes back to the fact that, somehow or other, under the new regime, whatever it ends up being, there will not be the fairness or the universal provision. In certain areas—perhaps those such as mine, which have much greater deprivation and much greater health inequalities than others—things will be more difficult.

Andrew Percy: I do not recognise the picture that the hon. Lady is painting. The real issue with the provision and availability of services is more to do with the funding model that is in place. When my local PCT was unable to provide dental services and when the bed numbers at Goole hospital were reduced a couple of years ago, local people had no ability to influence those decisions, no matter how much they appealed to the Secretary of State, because it comes down to money.

Joan Walley: Of course it comes down to money, but it also comes down to fairness in how the money is allocated. That must relate to an overall sense of direction to deal with health inequalities.

I want to discuss very specifically three amendments that I have tabled, but I did not want to go into the detail without associating myself with some of the concerns that exist across the country which have not yet been resolved. I speak as an honorary vice-president of the Chartered Institute of Environmental Health. I tabled the amendments to ensure that we do not just pay lip service to environmental and public health, and that we truly get a Bill that is fit for purpose in respect of the prevention agenda and the new arrangements under which we will be operating, which should give more status and priority to environmental health.

I want to speak in favour of the Government looking either now or in the other place at the case for a chief environmental health officer for England. The reason for that is the fact that, historically, there was a post of chief environmental health officer, going back to the days before 1974 when local authorities last had lead responsibilities for public health services and when each authority had a medical officer for health.

Today, England has a chief medical officer, but not a chief environmental health officer. I heard what the Minister said about that, but I urge him to have further talks, if necessary, with the professionals to see how we could ensure that a chief environmental health officer for England was appointed. Earlier we talked about Wales, where there is a chief environmental health officer post. In all the arrangements in Wales and in Northern Ireland, there is a recognition of the role played by environmental health in promoting health and well-being, and of the importance, therefore, of ensuring there is an environmental health input to policy making at the highest level and at the strategic level. I believe that is what England currently lacks. If the Bill is to give a higher profile to public health services, and the lead in public health is to be provided by local authorities, which is where the environmental health work force is located, it is necessary to make corresponding arrangements such as my new clause could facilitate, if the Government gave it serious consideration.

4.45 pm

It is envisaged that if we had a chief environmental health officer, he or she could focus on a preventive approach to achieving good health outcomes, and in particular the wider determinants of good health and well-being. I see that post holder reviewing relevant data, advising the Department of Health, Public Health England, NICE and the chief medical officer on preventive strategies and the wider determinants of health, as well as overseeing the development of good practice within local authorities and their partner organisations. In response to points made earlier, let me add that an annual report to Parliament by the Secretary of State on the work of the chief environmental health officer could ensure the accountability of that official.

Amendments 1242 and 1243 would place a duty on public health authorities to work in co-operation with their public health partners. Without that duty, the co-ordination that was mentioned earlier will not be achieved. There will be no mechanism for all the different strands of policy and health care provision to come together. As all Members know, not all local authorities in England are to be public health authorities. For example, in areas of England with two-tier local government, the powers and duties apply to county councils but not to district councils. For example, in my constituency Staffordshire county council, rather than Newcastle borough council, will have the responsibility but not the environmental health officers to perform the role.

A duty to co-operate could make a significant difference. The public health work force directly controlled by local authorities will be carrying out the work. I urge the Secretary of State to consider that. There is a precedent in respect of children's safeguarding and in respect of the emergency services. Although I object to many aspects of the Bill and will not support it, if it goes through it should at least contain the safeguard for public health that a duty to co-operate would provide.

Andrew George: It is a great pleasure to follow the hon. Member for Stoke-on-Trent North (Joan Walley), who addressed the issue of political accountability in a considered way. I shall return to that and relate it to a number of amendments in my name and those of some of my hon. Friends. I shall refer to a number of amendments that the Minister of State, my hon. Friend the Member for Sutton and Cheam (Paul Burstow) covered in his opening remarks and dealt with in a fair and balanced manner, although not entirely to my satisfaction in every case. I shall also raise further questions.

I have enormous respect for all that my hon. Friend has done. His contribution to the debate on social care is second to none. That expertise is especially beneficial to the Government at present and some important advances have been made, for which we are all grateful. I acknowledge that he approaches all aspects of his work with the best of intentions, and I do not question those. The amendments that I have tabled indicate that I believe we may need to reconsider some of these issues. I should also mention at this stage that I may seek to push one or two of them to a vote.

On Second Reading, I made a speech that was critical of the Bill and refused to support the Government by abstaining at that stage, and of course the Bill has gone through a number of significant changes since then and concessions have been made. I have been criticised by some for making that speech and refusing to support the Government, but I feel vindicated as a result of the pause and the listening exercise. I might be criticised and accused of disloyalty, but that is how Back Benchers exercise our role of holding the Government to account. It is reasonable for us to use our powers to bring forward amendments and, in so doing, probe the Government and ask them to be accountable for the policies that they are bringing forward. I hope that in the weeks and months ahead, I will be vindicated for having done so, but I do not necessarily expect that acknowledgment to be provided now.

I was relatively content with the original coalition agreement. I am no great defender of primary care trusts, but I think that using the existing institutional infrastructure, grafting in accountability to the patients and communities that the commissioning bodies will serve and ensuring clinician involvement in those commissioning decisions, would strike entirely the right balance. That would provide a way of going forward without scuppering, dismantling or exploding the whole system in the way the Bill is doing.

There was no mention in the coalition agreement of changing the duties of the Secretary of State, and I have read a number of legal opinions on that issue. I also believe, as I have indicated in several interventions so far, that some of us have been misled on that point. Some of the legal advice that I have been given by colleagues suggests that the Secretary of State in fact never had a duty to provide in the 1946 Act. That is fundamentally wrong. Perhaps I will discuss this with the Minister after the debate and show him the documents that I have been given and some of the comments that have been made. As some of my colleagues who were there at the time and heard the advice will know—*[Interruption.]* I hasten to add that they were not there in 1946—I know that I have aged in my time in Parliament, but I cannot recollect that time. My colleagues know that we have been briefed that there was never any duty to provide in the 1946 Act, but there is evidence—I do not need to give the quote a third time—that there was clearly a requirement in the 1946 Act to provide and secure effective provision. That requirement has always been there in successive health Acts in this country. I want to relate that to a point the hon. Member for Pontypridd (Owen Smith) made in a more tribal manner.

Paul Burstow: May I just make it clear that I do not think that I or any other Minister at any point, either at the Dispatch Box or in other discussions, ever suggested that the 1946 Act or any subsequent Act did not have the duty to provide? What we have said is that the duty to provide has progressively, particularly over the past 20 to 30 years, become a duty that is not exercised. It has been delegated and is increasingly exercised instead by separate bodies, such as NHS trusts and foundation trusts, using their own independent power to provide services.

Andrew George: Yes, and my new clause 16 proposes to address that issue through an opportunity for the Secretary of State to intervene as necessary.

The Secretary of State in his intervention on the hon. Member for Pontypridd made it clear that in any case Secretaries of State tend not to micro-manage by intervening or by providing on every whip and flip, and there is no suggestion of that, but as a backstop we require the guarantee that, if all else fails and the whole system does not provide what we believe needs to be put in place to provide for a comprehensive health service, the Secretary of State will be there. There would be no harm in putting that word back in the Bill in one form or another. I do not understand the obstinacy, and in my view there is no legal impediment to the Government doing so.

Stephen Lloyd (Eastbourne) (LD): Does my hon. Friend agree that, because this is such a totemic issue, the key reason behind the proposed change in the wording is totally to reassure the public that, come what may, and even if delegated powers mean that the Secretary of State has not been involved for a number of years, the buck will stop with the Secretary of State?

Andrew George: I am grateful to my hon. Friend. He has referred to the issue as being totemic, and although I do not want to detain the House for too long because many others have referred to it, he is absolutely right. Now that it has been raised in such a manner, unless there are good legal reasons not to insert it in the Bill, it should be.

On the comments of the hon. Member for Pontypridd, I make a further point. We are talking about major changes, and the issue is not only totemic but contextual, because, in the context of a major—in fact, the most

major—reorganisation of the health service, the reassurance of that backstop being in place would be all the more important.

I do not questions the intentions of the Secretary of State, for whom I have tremendous respect, but, having opposed the creation of the health service in the first place, the Conservatives have a problem, because the context is one of a major change, and whether we like it or not the assumption is that, if the Secretary of State is a Conservative, the hurdle will have to be set higher to reassure the nation that there is no untoward intention behind the legislation.

Simon Hughes: My hon. Friend knows that I share his views, and the hon. Member for Stoke-on-Trent North (Joan Walley) made the point that this is both a political and a legal debate. First, there is certainly a political argument for keeping the definition the same as it has been throughout the history of the NHS, which was created in concert by a Liberal and implemented by Labour. Secondly, there is a legal justification for doing so, because there are specific powers to provide, and therefore there is a generic logic in stating that, as part of the initial definition, there is provision for and security of health services. I am therefore sure that my hon. Friend will be on a winning wicket in the end.

Andrew George: I hope so, but sporting my cricketing injury I hope that that analogy does not apply.

Nick Smith (Blaenau Gwent) (Lab): I congratulate the hon. Gentleman on this point and think that he should absolutely stick to his guns. In my constituency, the birthplace of the national health service, 40 people have written to me about the issue in just the past few days, so it is important that he sticks to his guns and we get the message over to the Secretary of State this evening.

Andrew George: I am grateful to the hon. Gentleman, but I should also say that the Minister acknowledged in his opening remarks that there was an issue that needed further work and clarification. I entirely welcomed that statement and will be happy to be involved in any discussions that might advance the point. However, in spite of the discussions and debates so far, the issue remains unresolved. It might be resolved in another place, but until then it is important to make the totemic point that the matter is of such significant concern that it is worth our while pressing the matter further.

5 pm

I shall canter through my many amendments as briefly as possible. We are under a time constraint, and I will try to move through them as quickly as I can. I hope that hon. Members will bear with me if I do not take further interventions.

New clauses 16 and 17 would remove the independence of the commissioning groups from the NHS board by restoring the Secretary of State's power to delegate functions to NHS commissioners and direct them where appropriate. That allows the restoration of the Secretary of State's duty to provide or secure provision of the health service as per the 1946 Act, which used those very words. That would restore fully accountable spending in respect of the £80 billion of taxpayers' money that goes through that route. We cannot provide a duty without providing the power, so the two things are clearly linked.

Amendment 1197 would delete clause 4; it involves the "hands off" issue that has been raised before. Clause 4 would otherwise prevent the Secretary of State from directing clinical commissioning groups and the NHS commissioning board. Amendment 1198 would delete the same duty in respect of the NHS commissioning board, but would not interfere with clinical commissioning group autonomy.

Rather than just asserting the opposite, will the Minister publish the legal advice that appears to contradict the advice that has been obtained? That states that the "hands off" clause is a real barrier to the Secretary of State's intervention—as, after all, it is designed to be. Members could read the two bits of advice and see which was more convincing. Better still, will the Minister amend the Bill to put the matter beyond doubt?

Paul Burstow: I draw my hon. Friend's attention to the Department of Health's website. Yesterday we published a detailed response to both 38 Degrees opinions. It obviously draws on the legal advice given to Ministers and provides a full exposition of why we believe the points that I set out in my opening remarks.

Andrew George: I am grateful to my hon. Friend for that. During his remarks, he said that he believed that there was a risk that the Secretary of State might be drawn into micro-managing; that was one of his primary arguments. All I can say is that if there were a risk of the Secretary of State micro-managing, the Secretary of State could decide to do or not to do it. Simply removing the power comes back to my point about at least making sure that the Secretary of State has the ability to direct where appropriate. If the Secretary of State had that duty to provide, it would follow that he must have the powers to intervene as I have described.

Paul Burstow: My hon. Friend is making some important points, which give me the chance to underscore the important points that I have made. The Bill retains for the Secretary of State the capacity to intervene and exercise the functions of all the bodies established by it, and—in extremis, as a last resort—to make sure that services are provided. It is clear that that capacity has remained, not least in regard to the Secretary of State's ability to establish special health authorities.

My hon. Friend is asking for back-stops, and back-stops have to be real and have effect. That is why we put them into the Bill as we have, so that the Secretary of State does have, in extremis—in the circumstances that concern my hon. Friend and others—the ability to take the steps necessary to secure and ensure that services are provided to ensure a comprehensive health service.

Madam Deputy Speaker (Dawn Primarolo): Order. May I gently remind the Minister of two things? First, he has to address the whole House. Secondly, it is not a private conversation between him and his hon. Friend, and his interventions are supposed to be brief. A lot of people are waiting to speak.

Andrew George: On that basis, Madam Deputy Speaker, I will end that part of the conversation and move on, acknowledging that my hon. Friend has made a point that is worth considering.

[Andrew George]

Amendment 1224 would restore the duty to provide or secure provision of health services. Although that is seen as the headline proposal, it is consequential on new clauses 16 and 17, hence my intention to draw attention to the likelihood of my seeking to divide the House on those issues.

Amendments 1222 and 1223 seek to establish why the Bill has never provided for the Secretary of State to provide or secure a comprehensive health service rather than promote a comprehensive health service. This is an either/or situation, but I draw attention to the possibility that instead of pressing new clause 16, I may, in discussion with others, seek to divide the House on amendment 1222.

Amendment 1183 would beef up a duty of the Secretary of State—a theme that runs through a number of amendments. The purpose of amendments 1183 and 1194 is to address the conflict between having regard to reducing inequalities and placing above that duty the other duties that apply—for example, on choice. Amendment 1183 seeks to ensure that it is the duty of the Secretary of State, in reducing inequalities, to

"act with a view to"

rather than merely "have regard to". Otherwise, the responsibility, and the duty, on the Secretary of State is rather weak. That applies to amendment 1194 in the same manner.

New clause 18 would impose a new duty on the CQC, the NHS Commissioning Board and clinical commissioning groups not to undermine existing NHS services in an unplanned way through the operation of competition. Rather than extending my description of this issue, it might be worth referring to the debate that we had yesterday about the regulations surrounding the functions and duties of Monitor, as the same question arises. We have to look at the impact that competition is likely to have on the provision of essential services such as major trauma and accident and emergency, where its existence may destabilise emergency services through the loss of, for example, important underpinning elective services provided by the hospital.

New clause 20 would ban the wholesale outsourcing of commissioning work with regard to clinical commissioning groups. That was demanded in a Liberal Democrat conference motion but has still not been delivered. The commissioning process is a public function, not a private function. The amendment therefore seeks to change schedule 2 in different ways to prevent private entities on clinical commissioning group committees and sub-committees from commissioning and making other decisions. This also applies to amendments 1224, 1245, 1244 and 1249.

The Minister said that the work of the Neurological Alliance is important to preserve. I hope he will recognise that new clause 20 talks only about commissioning work being

"predominantly retained as a function by staff directly employed by the clinical commissioning group."

There is nothing in the Bill that prevents the bulk of the commissioning work—not the decision, but the work—of a clinical commissioning group from being done by a private company and thus, potentially, in secret. I hope he will accept that under the current wording of schedule 2, private entities will be able to sit on clinical commissioning committees and sub-committees and make commissioning decisions.

Amendments 1184 to 1188 and 1195 would demote choice to a subsidiary duty of commissioners to tackle fair access and inequality of outcomes. They relate to page 17 of the Bill. The priority of choice over inequity and inequality was introduced by the Government after the pause and the NHS Future Forum report as a way of promoting competition in ways other than through the role of Monitor. The amendments would reverse that priority for the NHS commissioning board.

Amendment 1211 provides that clinical commissioning groups should be more coterminous with local authorities than is the case under the Bill. The Minister said that there is no intention that clinical commissioning group boundaries will cross local authority boundaries. However, we all know that district councils do not cross local authority boundaries. In Cornwall, for example, we are likely to move from one PCT to three clinical commissioning groups, which will make the streamlining of the pathways between health and social care a lot more difficult. The purpose of amendment 1211 is to enforce that point.

I am aware of time and I hope that the House will appreciate that I will not explain every aspect of the many other amendments I have tabled. I am aware that there are significant issues that other people wish to raise. I simply emphasise that what the Minister said about health and wellbeing boards being able to refer matters to the Secretary of State is once again something that we have always argued for. Local authorities should of course be given a far greater say in commissioning decisions and in setting the strategy for health services in their area. As a back-stop, it is important that matters can be referred to the Secretary of State. My hon. Friend the Member for Cheltenham (Martin Horwood) has tabled some important amendments in respect of public health, some of which I have supported, and I hope that the Minister will consider them. I apologise for the amount of time I have taken, but I hope that the Minister will address the important issues advanced by the amendments.

Caroline Lucas (Brighton, Pavilion) (Green): I apologise for not being present for the first half hour of this debate. I was in the Environmental Audit Committee, where I had specifically asked for certain witnesses to be invited, and I have not yet worked out how to be in two places at once, although it is on my list.

I will make a few general points about this part of the Bill before turning to a couple of the amendments that are in my name. I echo the many concerns that have been expressed around the Chamber this afternoon. Many of us argue that there is no legal duty on the Government to provide health services. The new hands-off clause limits the Government's ability to intervene should health care provision be deemed inadequate, because it says that clinical commissioning groups, the new agents of health provision that can include private companies, must be free to exercise powers and duties without "unnecessary burdens". I am equally concerned that the powers and duties of a commissioning group, including its ability to award contracts and charge for commercial activities, could be exercised by a private health care company. The Bill opens the way for private companies

to determine much of English health care and takes away the Government's duties and powers, which is why I believe it should be opposed.

5.15 pm

I should like to say a few words about a couple of amendments in my name, starting with amendment 48. It offers Members the chance to return the NHS to its core ideals by making all health services in the UK, including dental care, eye care and prescriptions, free at the point of delivery based on each individual's needs and not their ability to pay.

I am sure some Members will say that the argument was lost some 60 years ago, but I argue that, unfortunately, the facts show that returning the NHS to being a fully free service is as important as ever. In 2008, an Ipsos MORI poll for Citizens Advice revealed that about 800,000 people in England had failed to collect a prescription because of the cost involved. An Asthma UK survey found that 34% of people who had to pay for their asthma medication sometimes chose not to take some of their treatment because of the expense. Research published by Rethink in 2008 showed that 38% of people with severe mental illnesses such as schizophrenia had to choose between paying household bills and paying prescription charges.

Despite 85% of us admitting that we have problems with our vision, 37% are put off having a sight test because of worries about money. That shocking statistic shows the extent to which fear of cost is as much of a barrier as actual cost, as more than 30 million people in the UK are entitled to free eye care paid for by the NHS and many more are entitled to free eye care paid for by their employer. The result of that confusion is that more than 20 million people are putting their sight at risk by failing to have regular sight tests.

Andrew Percy: The hon. Lady is making an interesting argument, and I would just ask her two things. First, how is she suggesting that we should pay for the idea? Secondly, is she seriously suggesting that we should return to millionaires being provided with dental treatment and eye care free of charge?

Caroline Lucas: It seems to me that if Wales and Northern Ireland have been able to abolish prescription charging altogether, it is certainly possible to do it. I would also argue that although everyone collectively having a stake in our public services may well mean that millionaires get a free eye test, under the type of regime that I would like to see they would be paying an awful lot more tax than they are under the Conservative party's regime.

Fiona O'Donnell: I am aware that the hon. Lady sits close to Scottish National party Members, who may not have given an accurate picture of what has happened in Scotland. We have free prescriptions, but we also have 1,200 fewer nurses. People such as me are getting our prescriptions free, but that puts strain on other parts of the service.

Caroline Lucas: I thank the hon. Lady, but I do not agree that the two points that she makes are causally linked. Of course I do not want to see the abolition of nurses, but that does not mean that we should have to pay for our prescription charges. Either we want an NHS free at the point of delivery and with free eye tests and so forth or we do not. *[Interruption.]* Someone is speaking from a sedentary position, no doubt asking how we will pay for it. I will be very clear that there is massive potential in cracking down on tax evasion and avoidance, higher tax for the rich, higher corporate tax and so forth. We are essentially talking about political priorities. The priority that I represent—a great many more people are coming to this view—is that we should be willing to pay for the public services that we want.

Hon. Members may oppose amendment 48 on the basis that charging for prescription or for dental and eye care is an important way of raising revenue. In England, eligible patients pay a prescription charge of £7.20 an item. In Scotland the charge is £3 and Wales and Northern Ireland have abolished prescription charging altogether. England raised just £470 million through the charges in 2009-10, which was just 0.5% of the NHS resource budget.

Crucially, we should remember that income from charging in the NHS is not pure profit. There is a real cost to administering the plethora of exemptions and reduced charging rates for which different groups are eligible. For example, there are 11 different groups that are eligible for free dental care, 15 that are eligible for free sight tests and 12 that are eligible for free prescriptions. I hope that hon. Members will see the benefit of doing away with that convoluted and complex system, which provides little benefit in terms of income, and which goes directly against the NHS principles by significantly reducing people's access to all forms of health care simply because of their inability to pay.

Much has been said by hon. Members on both sides of the House about the founding principles of the NHS, and it will continue to be said. However, I put it to hon. Members that amendment 48, more than any other, seeks to point out that much important NHS care and treatment is charged for, and that we need to go back to NHS services as they were envisaged by its architect, who has been referred to many times this afternoon. Hon. Members might recall that he resigned as Health Secretary as early as 1951, in protest at his Chancellor's efforts to impose charges for prescriptions, dental treatment and eye care.

Amendment 1181 raises serious concerns about the way in which CCGs will be able to charge for services. Although the power to charge, under proposed new section 14Z3 to the National Health Service Act 2006, is intended to be of benefit to the health service, it is very disturbing. Its scope is unclear—I wrote to the Minister last week to ask for clarification—but the fact is that important limitations on how the Secretary of State can exercise that power would apparently not apply to CCGs. The measure could run a coach and horses through the principle of a free health service, and Parliament needs to be clear on its impact in practice.

It is extremely worrying that CCGs will be able to decide that certain specialist services—for example, for pregnant women or women who are breast feeding young children, or aftercare—are not appropriate as part of the health service. That would mean that the statutory guarantee that the NHS will be free will not apply, because CCGs can decide that certain services and facilities should not be provided as part of the NHS. If that happened, CCGs could use the charging

[Caroline Lucas]

power to decide to charge for supplying, for example, goods to pregnant women, or for instructing people how to use their rehabilitation equipment.

Amendment 1181 would ensure that that could not happen. Ministers might say, "CCGs are commissioners and not providers". If so, why is a measure that allows CCGs to charge necessary in the first place? The amendment would make it absolutely clear that there is no way in which a CCG could charge for anything that is related to the basic core health service, such as hospitals, doctors, nurses or ambulances, whether they are acting under section 3 or proposed new section 3A of the 2006 Act. The amendment would also impose on CCGs the same limitation that is already imposed on the Secretary of State. Why was that omitted from the Bill?

It is right that raising funds under that power should not interfere with a CCG's functions. However, the Bill says that raising funds should not interfere significantly, but what on earth does "significantly" mean in that context? How is it to be determined or measured? If companies such as UnitedHealth got hold of that power and reckoned they could make money out of it, they will be on to it in a flash. The very least that they should be required to do is demonstrate that dealing in land and supplying goods and the like will not take them away from fulfilling their commissioning role. I would prefer it if those giant profit-driven companies were nowhere near the health service, but while they are, we need far greater safeguards than currently exist.

Unfortunately, the previous Government gave overseas companies the legal route into the NHS, and this Government are seeking to smooth that route yet further. Hon. Members may recall that at Prime Minister's questions on 18 May, the Prime Minister claimed that he had not heard of Mark Britnell, one of his health advisers, who was also a key adviser under Tony Blair, until he googled him the previous Sunday. The Prime Minister's interest was stoked by a report of a speech that Britnell, global head of health care at KPMG, gave to a group of private health companies in New York last October. Dr Philip Hammond pointed out in *Private Eye* that according to a brochure summarising the conference, Britnell said:

> "GPs will have to aggregate purchasing power and there will be a big opportunity for those companies that can facilitate this process...In future, the NHS will be a state insurance provider, not a state deliverer...The NHS will be shown no mercy and the best time to take advantage of this will be in the next couple of years."

That is a shocking thing to say, and no wonder the Prime Minister was keen to distance himself from it, at least in public.

My last point is about the final proposal in amendment 1181, which would mean that:

> "Income raised by a clinical commissioning group as a result of the exercise of powers under this section shall be specified in its annual accounts, referred to in its annual report under section 14Z13, and paid annually to the Secretary of State."

Without the amendment, it is completely unclear what CCGs will do with the money that they raise and how, if at all, it will affect their budget allocations. I think it would be madness for Parliament to give CCGs the right to charge for supplying goods, dealing in land and providing instruction for the purposes of raising more funds for the NHS, and then not to require them to account for it in any way, and not to ensure that the funds find their way back to the public rather than the private purse. This part of my amendment seeks to ensure that that is done.

Amendment 1234 refers to the fact that once they managed to get into the CCGs, multinational health companies such as UnitedHealth would be allowed to do the actual commissioning, thus creating a very unhealthy form of what is effectively in-house outsourcing. I understand that they will be able to charge for the supply of goods if the Government do not accept the amendment. Parliament cannot trust companies whose primary duty is to their shareholders to be in charge of so much taxpayers' money, nor should such companies be given the right that the Secretary of State currently holds to charge for the supply of goods or for land deals. We should make it clear that CCGs cannot agree among themselves that their functions will be carried out by one of their private company members. Commissioning is a public function that should be exercised in the public interest, and private companies such as UnitedHealth should not be entitled to charge for any it.

Nick de Bois (Enfield North) (Con): I refer Members to my entry in the Register of Members' Financial Interests. I wish to speak to amendments 1172 and 1173, in my name, which require the Secretary of State to collect haematopoietic stem cells. The issue is, of course, that of the collection of umbilical cord blood and cord bank policy, which was first raised in the last Parliament.

I pay particular tribute to the work of the all-party parliamentary group on stem cell transplantation for its work under the leadership of the hon. Member for Alyn and Deeside (Mark Tami), and to the enormous contribution and determination of my hon. Friend the Member for Enfield, Southgate (Mr Burrowes). My previous lack of knowledge of the subject was probably no different from that of many other people, but after giving my hon. Friend and neighbour a lift home on several occasions I became a speedy convert. Quite simply, the collection of cord blood can be life-saving. I pay tribute to the work of the Anthony Nolan trust in that regard.

In 1974 the Secretary of State was not obliged to facilitate stem cell transplantation from unrelated donors. Because the Governments of the day took that position, advances made took longer to achieve, which undoubtedly cost lives. The situation is different now: both the Government and the Opposition support expansion of the practice, and in particular of the more modern use of umbilical cord blood for such purposes. However, it would be fitting for the Minister now to make it clear in the Bill that this issue is important, to lock in the bipartisan support while it is strong, and to send a message to future Governments and civil servants that for as long as the Bill remains on the statute book, the issue is not to be lightly disregarded or de-prioritised at a future date.

The amendments involve no financial or political cost, but they are not merely symbolic. They could be described as an insurance policy against the risk of thoughtlessness or distraction on the part of future Governments—a risk that would ultimately cost lives.

Mr Burrowes: It will not surprise the House to learn that I strongly support what my hon. Friend has said about the importance that should be attached to the life-saving cause of collecting cord blood and transplantation. As he has said, the Government are wholly committed to investing in and improving collections and to transplantation, but is it not important for us to consider whether that should form part of the duty of the Secretary of State? Is it not a priority, given that one in five members of black and ethnic minorities cannot obtain a match for the purposes of the transplantations that are sorely needed for life-saving operations?

Nick de Bois: My hon. Friend raises a key point. If we were to make prospective parents aware of the possibility of donation, we could address the major deficit in the BME community.

5.30 pm

I will not take up too much of the House's time, but I hope Members will bear with me as I reiterate some of the important points that drove me to table these amendments. Patients in the UK requiring a bone marrow donor have a one in four chance of survival. Only 50% of those looking for a donor will find one, and of those who do so only 50% will survive. Many of those who find a bone marrow donor do so too late for the treatment to be successful, which contributes to the failure rate. Greater provision of cord blood could help patients get treatment faster and improve the chances of survival.

Greater provision of cord blood would give many who currently have no bone marrow donor a potentially life-saving option. The baby's blood that is left behind in the umbilical cord contains many different types of cells, and some of them are stem cells, which have been shown to have a number of medical applications. Over the past 20 years, collected cord blood has been used for transplantation in the same way as bone marrow, so we can square the circle and see the advantages of drawing attention to the benefits of collecting cord blood and requiring the Secretary of State to ensure that this is done consistently and banked accordingly.

Researchers believe that cord blood has the potential to treat many more diseases once adult stem cells are properly understood. Trials have shown that cord blood may be helpful in treating brain injuries in children. It has also been developed for other possible treatments, including for testicular cancer, multiple sclerosis and diabetes, and for regenerating damaged heart cells. The potential is exciting, therefore. It is particularly valuable in the treatment of leukaemia. It can be used as an alternative to bone marrow transplantations.

Collection of umbilical cord blood is a far less invasive procedure than extracting bone marrow, and the units can be collected, frozen and stored for years, which leads to fewer complications and makes transplants more readily available than for bone marrow. More importantly, it is easier to find matching stem cells from cord blood than from bone marrow. If we can develop a proper infrastructure for the collection and storage of cord blood, that will do much to alleviate the severe shortage of life-saving stem cells.

Mr Burrowes: Is it not also important to ensure, through the Bill or other means, that commissioners are able to make the right decisions? Evidence of some commissioners questioning the economic value of proceeding with stem cell transplants was brought before the all-party group on stem cell transplantation. It is important that we pursue commissioning excellence.

Nick de Bois: I understand that the UK Stem Cell Strategic Forum recommended to the Government that there should be a regional centre of excellence, and I hope Ministers will let us know by letter if that policy is indeed being pursued, as I think it might deal with the issue that my hon. Friend raises.

Cord blood is a natural, safe, ethical and sustainable resource, and it offers many advantages over using traditional bone marrow transplants. We in this country should be proud that the NHS was one of the first bodies to recognise the potential importance of cord blood and significant breakthroughs were made in Britain. In 1996 an NHS cord bank was established, which is now working alongside the Anthony Nolan trust. At a time when the health service is mindful of the need to inform patients fully about their health care, the issue of the collection of a mother-baby's cord blood does not seem to get the same degree of attention. The principles of full information and consent do not seem to apply to cord blood, which is, in general, treated as a waste product, unbeknown to parents, apart from in exceptional circumstances. By agreeing to my amendments, we can change that situation and the Government can demonstrate that they are giving a lead in the dissemination of information to expectant parents.

Last year academic research said that in order to have a truly effective operation we should strive to obtain 50,000 units of cord blood. I congratulate the Government, who have already committed £4 million to reach the first benchmark of 20,000 cord blood units. I commend the work of the Anthony Nolan trust and the NHS, which have also been sharing in building up to this target. Of course this is only the start, and I know that the Government have already expressed their commitment to helping to develop this very important work.

We have an opportunity for more lives to be saved, for valuable scientific research to be undertaken and for the UK to become a centre of excellence in cord blood. We can avoid the current situation whereby every day two people die waiting for a stem cell transplant, and 65,000 litres of cord blood are discarded every year. I welcome the Minister's words of support and I appreciate the sentiments behind the Government's thinking. I urge them to continue to get behind this valuable cause.

Rushanara Ali (Bethnal Green and Bow) (Lab): I speak in support of amendment 1169, which seeks to strengthen the Secretary of State's duty to reduce health inequalities. As presented in clause 3, the Secretary of State's duty is insufficient to tackle the health inequalities in our society. The clause lacks strength, invites the Secretary of State to disregard its meaning and changes little in the way in which health inequalities will be tackled in the future. By supporting amendment 1169 we can ensure that the Secretary of State can be regularly and properly held to account for his duty to tackle health inequalities across England.

Tackling health inequalities is vital because this is, in many cases, a matter of life and death. The World Health Organisation's Commission on Social Determinants of Health has said:

"Social justice...affects the way people live, their consequent chance of illness, and their risk of premature death. We watch in

[Rushanara Ali]

wonder as life expectancy and good health continue to increase in parts of the world and in alarm as they fail to improve in others."

In our own country, Bevan's dream for the NHS was for a service in which:

"No longer will wealth be an advantage nor poverty a disadvantage."

Yet, despite the great strides that have been made there is much more to do, and the link between poverty and poor health remains.

Dr Wollaston: Will the hon. Lady give way?

Rushanara Ali: As there is not much time left, I would like to proceed in order to allow other colleagues to speak.

That link can be seen as clearly in London as anywhere else. According to the London health inequalities strategy,

"for men, life expectancy at ward level ranges from 71 years in Tottenham Green ward in Haringey to 88 years in Queen's Gate ward in Kensington and Chelsea—a span of seventeen years".

Despite the progress made nationally, in the borough of Tower Hamlets, in which my constituency sits, the rate of heart disease or stroke before the age of 75 is more than twice that of a more affluent area such as Surrey, and early cancer rates are nearly 50% higher.

We know that with the right resources and leadership it is possible to reduce health inequalities. In the past 10 years, the rates of early death from cancer and from heart disease and stroke have fallen in my constituency, but they remain worse than those in other parts of the country. That is why it is vital for the Secretary of State to continue the focus on tackling health inequalities, for us to look at the cross-cutting issues affecting health and for there to be co-ordination across government, led by the Health Secretary.

Tackling health inequalities was central and integral to Labour's policy making in government. I urge this Government to think again, to recognise the vital importance of continuing that commitment and to make sure that there is genuine accountability for reducing health inequalities.

I was saddened to see last month that the Government plan to reduce the funding allocated to tackling health inequalities by altering the weighting given to inequalities in the weighted capitation formula from 15% to 10%. That will lead to a reduction in funding of £20 million over the next three years in Tower Hamlets—

Ben Gummer (Ipswich) (Con): Will the hon. Lady give way?

Rushanara Ali: I will not give way, because there is not much time left.

The borough is one of the poorest in the country, with high levels of health inequalities, and the change will have a direct and damaging effect on the health of my constituents and many others around the country.

Mr Lansley *rose—*

Rushanara Ali: I will not give way, because the Secretary of State has had long enough to speak. He has had far too long to speak, and I have two minutes left.

The change will have a very damaging effect on my constituents, and if the formula is applied across the country it will increase inequality. I ask the Secretary of State again to show leadership and take responsibility—

Mr Lansley *rose—*

Rushanara Ali: The Secretary of State has spoken for long enough—*[Interruption.]* He has spoken, but there has not been much content—*[Interruption.]*

Madam Deputy Speaker (Dawn Primarolo): Order. The hon. Lady is entitled to make her speech and to be heard in this Chamber. As all Members know, this debate ends at 6 o'clock and there are still quite a few Members who have been present all the time who wish to speak.

Rushanara Ali: Thank you, Madam Deputy Speaker.

Amendment 1169 would be of great benefit in tackling health inequalities. It would make a real difference to people's lives. Requiring the Secretary of State to lay an annual report before Parliament on progress towards ending health inequalities is therefore key in ensuring that proper accountability continues to exist. What is he afraid of? He could see the impact and put in place mechanisms to continue to improve, learning from the evidence and making progress. Considering how we can reduce inequalities in constituencies such as mine is a constructive way forward. I call on the Secretary of State to think again and accept this sensible amendment.

In conclusion, as the Marmot review stated, the

"link between social conditions and health is not a footnote to the 'real' concerns with health…it should become the main focus."

Tackling health inequalities should be a central aim of health care policy for any Government, and the amendment would be crucial for achieving that. I hope that Members on both sides will back it and that the Secretary of State will take note.

Margot James (Stourbridge) (Con): I want to support the leadership that the Bill ascribes to public health and the role of the patient and empowered individual in taking responsibility for their health care as far as is possible. I congratulate the Government on setting public health free, as I see it, and taking it out of its ivory tower. It has been in the preserve of the primary care trusts and although in some PCTs it is given life, in others it gathers dust and is vulnerable to financial raids from time to time as budget pressures build and people seek to take money from an area where the public do not necessarily see the results for a fairly long time and to give it in preference to things that cause short-term pain. Regardless of which party has been in government, that has always been the case with public health.

If we consider where public health can make a difference in preventing ill health, we can see that the future of the NHS depends on a much better preventive strategy. Perhaps the best thing that the previous Government did in health care policy was the smoking ban, which will probably save more lives in the long run than anything else. We could consider some of the other areas that are ripe for similar treatment. I do not mean that we should ban alcohol, but we could consider public health policy and what it could do to reduce the incidence of sexually transmitted diseases, HIV,

alcohol abuse and mental health problems. Many of the issues to do with drugs are about education and prevention, too.

I am pleased to see links being built into other aspects of the Bill. Our proposals for public health in relation to mental health have been strongly welcomed by the Samaritans, because there is so much to do with mental health that takes place in the community. The involvement of local authorities and the leadership role given to them in the Bill should enable aspects of local government policy such as housing, children's social services and adult and social care to be brought to bear in dealing with these problems.

5.45 pm

Sarah Newton (Truro and Falmouth) (Con): Will my hon. Friend give way?

Margot James: I would love to but I am aware that others are waiting and I am trying to curtail my comments. [HON. MEMBERS: "Hear, hear!] I will take that as a prompt to get a move on.

I want to address a point that was made earlier about where the director of public health should sit in a local authority. I think it is important that the public health director should report to the chief executive because the public health function will cover so much that is part of children's services, adult and social care and housing that it is hard to see how they will fit in unless they report at the top level.

In conclusion, I believe that the elevation of public health will enable public health to be placed at the centre of commissioning and that the link between the wellbeing boards and the primary care commissioning groups will enable public health to be instrumental within commissioning. That is where we will see the long-term benefits outrunning the short-term imperatives.

Alison Seabeck: I shall cut to the chase because other Members want to speak and many colleagues have spoken powerfully about the benefits of the NHS. I have two very specific questions regarding concerns that people in the south-west have raised with me. These issues relate to part 1 of the Bill, the role of the director of public health, and the making of complaints, as covered by new clause 1. I want to link these issues to the duty of the Secretary of State to ensure that the basis on which actions are taken—indeed, the information that is used—is in the hands of and is accessible to people in the new set-ups who need that information and can use it.

The concerns that have been raised with me relate to the movement of national health service public health staff into local authority control and the fact that the Office for National Statistics currently has a duty to release certain data only to directors of public health, who are part of the NHS. I gather that the ONS has had concerns about this and I am interested to know whether it has waived the requirement for directors of public health to sign a confidentiality and proper use statement every year, or whether it has agreed to the passing of this role into local authorities. I cannot find that in the Bill, although I must admit that I am coming to this a little late—my apologies to colleagues about that—and I would be very grateful if the Minister could tell me whether that issue has been resolved.

Secondly, the Minister will know that we carry out nuclear decommissioning in Plymouth. Is he confident that public health can be fully protected in the way that it has been in the past? I note clause 54 on radiation, but will the Minister look at how H1N1 was dealt with? The first confirmed case of swine flu was in Paignton and the response was carried out by PCT public health staff in Plymouth and Torbay. They worked together rapidly to administer antiviral drugs to nearly 500 pupils and they provided reassurance and support to extremely anxious children and parents. That response was set up within 45 minutes of the initial phone call, despite the fact that it had not been done before, and it was done without any practical help from the Health Protection Agency, which was swamped with other work. The PCT public health staff just got on with it and they did a fantastic job—no other child was infected. Indeed, they compiled a guide on how to do it all, which was passed on and was commended by the Prime Minister. There is a view that such a response will not be possible in a few years' time, so complaints from the public—this takes us back to new clause 1—will inevitably follow. Clearly, if we get health protection wrong, we can kill people.

In order to avoid complaints on new clause 1, will the Minister say what power the director of public health, sitting within the local authority, will have to galvanise staff across organisations? Will they be the appropriate authority, or will responsibility sit elsewhere? Will they have to go through another senior officer? Who is ultimately responsible if they get it badly wrong—the local authority, the director of public health or the Secretary of State? Or is it another instance when the Government are saying, "Not me, guv" and passing the buck to the local council and the political leadership of that council? If there was a viral outbreak in various parts of the country, widely spread, would the individual local authorities be held responsible for dealing with it, coming up with solutions and coping with the outcomes, or is this a case in which the Secretary of State actually has a clear duty to take the lead?

Martin Horwood: I am extremely grateful to you for calling me, Madam Deputy Speaker, as you have a tough job this afternoon. I have to declare an interest. I rarely speak in the House on NHS organisation, particularly public health, because my wife is employed as a director of public health. Obviously, the Bill and the public health section of clause 27 will affect her significantly, and by extension those of us in her family, but I make it clear to the House that although my knowledge of her role and profession has informed amendments 1255 to 1260, which stand in my name, she had no knowledge of them or their contents before I tabled them. However, I am grateful to the Faculty of Public Health and others who have given me advice.

Public health is pretty poorly understood, not least in this Chamber at times. There is a constant tendency to confuse it with the traditional, established local authority function of environmental health, and although I have great respect for the hon. Member for Stoke-on-Trent North (Joan Walley) in many respects, I think the risk of her new clause 23 is that it extends that confusion between environmental health and public health. There are many key functions to public health, not just the vital five-a-day style health promotion and health improvement work, but a critical role in health protection, including the management of outbreaks of communicable

[Martin Horwood]

diseases—serious diseases such as meningitis and influenza—and a key role in influencing, at the moment, NHS commissioning at local level, using population-wide data and medical analysis. That, at the moment, happens very simply and straightforwardly within the primary care trust. Under the Bill at the moment, there is no role for the director of public health within the new clinical commissioning groups, and they have to exercise that kind of influence at several removes. That point was well made by the hon. Member for Plymouth, Moor View (Alison Seabeck).

It was suggested to me at one stage by some civil servants working on the Bill that in order to make up for the gap left by the director of public health in the new clinical commissioning groups—then called consortia—they might actually want to employ someone with public health expertise to make up for the reorganisation. That does not seem to me a very good use of public money.

Some of the things that Ministers have announced are to be welcomed. I will have to skip over them briefly, but principal among them is the very good decision to make Public Health England a separate Executive agency and not part of the Department of Health. That was a key request of the faculty, and I think it is very important that it retain that status and objectivity.

I pay tribute to the Minister of State, my hon. Friend the Member for Sutton and Cheam (Paul Burstow), for taking a great deal of time and care over the concerns that I had in this whole area, but questions remain to be addressed and my six amendments are an attempt to address three main areas.

The first area is, as the hon. Member for Plymouth, Moor View pointed out, that under this scheme directors of public health will be removed from the NHS, as will their staff. One of my amendments suggests, therefore, that they should continue to be employed by Public Health England and retain that integration within a wider public health profession. At the moment directors of public health sit within primary care trusts and it is reasonably straightforward, but within the spaghetti-like structures created by the Bill, public health responsibilities and leadership are now to be split among Public Health England, the Secretary of State, the local authorities, the national commissioning board, the health and wellbeing boards and clinical commissioning groups. The threat is not just confusion and the unclear fragmentation of public health functions, but the fragmentation of the profession itself and of the career paths, whereby people might move from one bit to another and have to leave and rejoin the NHS, and so on. That is one of the issues addressed.

The second issue is that people should be suitably qualified. The responsibility for their professional qualification and professional development should lie in the hands of Public Health England, not local authority managers, who might have no medical or professional public health training. It is an important function, so they should be senior officers. Several members of the Health Committee, including its Chair, made the important point that they should report directly to the chief executive. It has been suggested in some parts of the country that the post of director of public health could be combined with or report to other directorates in the principal local authority—for instance, the director of housing.

I wrote to the Deputy Prime Minister on the issues, and he replied:

"given the importance of these new local authority public health functions, the leadership position of the DPH in the local community and the critical health protection functions to be carried out by the DPH on behalf of the local authority, we would expect the DPH to be of chief officer status".

I do not think that an expectation is strong enough. I have great regard for many directors of housing, but if my child had meningitis, I would not want the director of housing to be on the other end of the phone line at a critical moment.

As it is still possible for the Government to address these issues through the consultation exercise on public health that is being planned, I will not press my amendments to a vote today, but I was rather disappointed with the Minister's response to them. Should any noble Friends be listening from the Gallery, I hope they might take up the theme of public health in another place. Public health is poorly understood and has not grabbed the headlines in the way that the 38 Degrees campaign has, but over recent years it has been quietly becoming a more and more successful, professional and increasingly medically qualified discipline in the NHS. It saves lives, and we should protect it.

Paul Burstow: We have had a full and wide-ranging debate on the many issues covered by this group of amendments. I want to try to pick up a few of the key questions that have been asked. The Bill will increase the Secretary of State's accountability for a comprehensive health service.

Mr William Cash (Stone) (Con): Will the Minister give way?

Paul Burstow: No, not at all.

The Bill will provide all the powers and duties necessary: the duty to keep the health service's functions under review, a duty to report annually on the health service's performance and a duty to consult on the board's mandate and to lay it before Parliament and to lay regulations about how commissioners carry out their functions. All those things are new. They are more than backstops; they are guarantees of a comprehensive health service being secured and the Secretary of State maintaining his accountability to the House and Members of Parliament for that purpose.

I have already made it clear to those who are concerned about clause 4 and the possibility, which we do not accept, that it will lead to a hands-off approach that we are willing to listen to and consider the concerns that have been raised and make any necessary amendment to put it beyond doubt that the Secretary of State remains responsible and accountable for a comprehensive health service, which we all want to see.

There has been talk about a postcode lottery. Indeed, the Bill sets out, through the work of the NHS commissioning board, to ensure that the postcode lottery that we inherited from the last Government is something that we can make a thing of the past, as a consequence of the changes that the Bill will introduce.

The hon. Member for Stoke-on-Trent North (Joan Walley) made some important points about environmental health officers and the contribution they make locally and nationally. Although we see the chief medical officer having a key role in providing such advice, I would be happy for us to carry on discussions about how we can further strengthen that role nationally.

As the consultations on the issues raised today by my hon. Friend the Member for Cheltenham (Martin Horwood) carry on, I am certainly happy to discuss with him how we can address those concerns. I can assure him that, because the Secretary of State will be directly involved in the appointment process for directors of public health through Public Health England's role, they will be able to assure themselves that they are adequately qualified.

Mr Cash: Will the Minister give way?

Paul Burstow: No.

The Bill has been changed because the Government have been listening carefully. We have acted on the NHS Future Forum's recommendations.

Our goals are clear in this Bill: they are to place patients at its heart, ensure that the service is clinically led and ensure that it is focused on driving up quality and outcomes.

Question put and agreed to.

New clause 1 accordingly read a Second time, and added to the Bill.

6 pm

Proceedings interrupted (Programme Order, 6 September).

Madam Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

New Clause 7

OTHER DISSEMINATION OF INFORMATION

'(1) The Information Centre may disseminate (other than by way of publication), to any such persons and in such form and manner and at such times, as it considers appropriate any information—

(a) which it collects pursuant to a direction under section257 or a request under section258, and

(b) which falls within subsection (2).

(2) Information falls within this subsection if—

(a) the information is required to be published under section 262;

(b) the information is in a form which identifies any relevant person to whom the information relates or enables the identity of such a relevant person to be ascertained and the Centre, after taking into account the public interest as well as the interests of the relevant person, considers that it is appropriate for the information to be disseminated;

(c) the Centre is prohibited from publishing the information only by virtue of it falling within section 262(2)(c) and the Centre considers it would be in the public interest for the information to be disseminated;

(d) the Centre is prohibited from publishing the information only by virtue of a direction given under section 262(2)(d) and that direction provides that the power in subsection (1) applies to the information.

(3) A direction under section 262(2)(d) may require the Information Centre to disseminate information which the Centre is prohibited from publishing only by virtue of the direction.

(4) A direction under section 257 may require, and a request under section 258 may request, the Information Centre to exercise—

(a) the power conferred by subsection (1) in relation to information which it collects pursuant to the direction or request, or

(b) any other power it has to disseminate such information under or by virtue of any other provision of this or any other Act.

(5) A direction under section 257 may require, and a request under section 258 may request, the Information Centre not to exercise the power conferred by subsection (1) in relation to information which it collects pursuant to the direction or request.

(6) Nothing in this section prevents the Information Centre from disseminating information (otherwise than by publishing it) pursuant to the exercise of any function conferred by or under any other provision of this or any other Act.

(7) A requirement imposed on, or a request made to, the Information Centre in accordance with this section to disseminate information may include a requirement or request about the persons to whom the information is to be disseminated and the form, manner and timing of dissemination.'.—*(Paul Burstow.)*

Brought up, and added to the Bill.

New Clause 8

SUBSEQUENT PROPERTY TRANSFER SCHEMES

'(1) This section applies in relation to any property, rights or liabilities which are transferred under a property transfer scheme under section 299(2) from a Primary Care Trust, a Strategic Health Authority or the Secretary of State to a Special Health Authority or a qualifying company.

(2) The Secretary of State may make a scheme for the transfer of any such property, rights or liabilities from the Special Health Authority or the qualifying company to any body or other person mentioned in the second column of Schedule 23.

(3) Subsections (1) to (4) and (6) of section 300 apply in relation to a scheme under subsection (2) as they apply in relation to a property transfer scheme under section 299(2).'.—*(Paul Burstow.)*

Brought up, and added to the Bill.

New Clause 9

COMMENCEMENT: CONSULTATION WITH SCOTTISH MINISTERS

'(1) The Secretary of State must consult the Scottish Ministers before making an order under section 304(4) relating to—

(a) section 54 (radiation protection functions), so far as relating to the Scottish Ministers,

(b) section 56 (co-operation in relation to public health functions), so far as relating to the exercise of functions in relation to Scotland by a person to which the provision inserted by subsection (1) of that section applies,

(c) section 226(4) (requirement for persons advised etc. by the Professional Standards Authority for Health and Social Care to pay fee), so far as relating to the Scottish Ministers,

(d) section 227(1) (funding of the Professional Standards Authority for Health and Social Care), so far as relating to a body that regulates a profession in Scotland which does not fall within Section G2 of Part 2 of Schedule 5 to the Scotland Act 1998 (health professions),

(e) section 227(4) and (5) (power of the Professional Standards Authority for Health and Social Care to borrow), so far as relating to functions of the Professional Standards Authority for Health and Social Care which are exercisable in relation to—

(i) unregulated health professionals in Scotland, unregulated health care workers in Scotland or relevant students in Scotland,

(ii) a body that maintains a register of persons within sub-paragraph (i),

(iii) a profession in Scotland which does not fall within Section G2 of Part 2 of Schedule 5 to the Scotland Act 1998, or

(iv) a body that regulates a profession within sub-paragraph (iii),

(f) section 228(1) (power of the Professional Standards Authority for Health and Social Care to advise regulatory bodies etc.), so far as relating to a body that regulates a profession in Scotland which does not fall within Section G of Part 2 of Schedule 5 to the Scotland Act 1998 (architects, health professions and auditors),

(g) section 229(8) (requirement for the Professional Standards Authority for Health and Social Care to lay copy strategic reports before Parliament etc.), so far as relating to the Scottish Parliament,

(h) section 230 (appointments to regulatory bodies), so far as relating to—

(i) the exercise of the appointment functions under subsection (8)(f) of the provision inserted by that section, or

(ii) subsection (4) of that provision,

(i) section 231 (establishment of voluntary registers), so far as relating to the establishment and maintenance of relevant registers,

(j) section 232 (accreditation of voluntary registers), so far as relating to the functions of the Professional Standards Authority for Health and Social Care in relation to relevant registers,

(k) Part 2 or 3 of Schedule16 (amendments relating to the Health and Care Professions Council or the Professional Standards Authority for Health and Social Care) and section 233(1) so far as relating to the Part in question, and

(l) paragraphs 1 to 4 of Schedule22 (amendments of the National Health Service (Scotland) Act 1978 relating to the relationships between the health services) and section296 so far as relating to those paragraphs.

(2) In this section—

"relevant registers" means—

(a) registers of unregulated health professionals in Scotland,

(b) registers of unregulated health care workers in Scotland, or

(c) registers of relevant students in Scotland,

"relevant students in Scotland" means persons participating in studies in Scotland for the purpose of becoming—

(d) an unregulated health professional,

(e) an unregulated health care worker, or

(f) a member of a profession which does not fall within Section G2 of Part 2 of Schedule 5 to the Scotland Act 1998,

"unregulated health professional" means a person who is or has been practising as an unregulated health professional (within the meaning of the provisions inserted by section 231) and "unregulated health professional in Scotland" means a person who is or has been practising as such in Scotland, and

"unregulated health care worker" means a person who is or has been engaged in work as an unregulated health care worker (within the meaning of those provisions) and "unregulated health care worker in Scotland" means a person who is or has been engaged in such work in Scotland.'.—*(Paul Burstow.)*

Brought up, and added to the Bill.

Clause 1

SECRETARY OF STATE'S DUTY TO PROMOTE COMPREHENSIVE HEALTH SERVICE

Amendment proposed: 1176, page 2, line 7, leave out subsection (2) and insert—

'(2) The Secretary of State must for that purpose provide or secure the provision of services in accordance with this Act.'.—*(Owen Smith.)*

Question put, That the amendment be made.

The House divided: Ayes 255, Noes 304.

Division No. 340] **[6.1 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Brennan, Kevin
Brooke, Annette
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farron, Tim
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
George, Andrew
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom

Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Horwood, Martin
Hunt, Tristram
Huppert, Dr Julian
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Stephen
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Pugh, John
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rogerson, Dan
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sanders, Mr Adrian
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Ward, Mr David
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:

Angela Smith and Mr David Anderson

NOES

Adams, Nigel
Afriyie, Adam
Alexander, rh Danny
Amess, Mr David
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip

Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Shailesh Vara and Mark Hunter

Question accordingly negatived.

Clause 14

OTHER SERVICES ETC. PROVIDED AS PART OF THE HEALTH SERVICE

Amendment made: 49, page 9, line 12, leave out subsection (7).—*(Mr Lansley.)*

Clause 15

REGULATIONS AS TO THE EXERCISE BY LOCAL AUTHORITIES OF CERTAIN PUBLIC HEALTHFUNCTIONS

Amendments made: 50, page 11, line 24, at end insert—

'( ) Where regulations under subsection (1) require a local authority to exercise any of the public health functions of the Secretary of State, the regulations may also authorise or require the local authority to exercise any prescribed functions of the Secretary of State that are exercisable in connection with those functions (including the powers conferred by section 12).'.

Amendment 51, page 11, line 27, at end insert—

'( ) Any rights acquired, or liabilities (including liabilities in tort) incurred, in respect of the exercise by a local authority of any of its functions under regulations under subsection (1) are enforceable by or against the local authority (and no other person).'.—*(Mr Lansley.)*

Clause 16

REGULATIONS RELATING TO EU OBLIGATIONS

Amendments made: 52, page 12, line 6, at end insert—

'( ) The making of regulations under subsection (1) does not prevent the Secretary of State from exercising the specified EU health function.'.

Amendment 53, page 12, line 6, at end insert—

'( ) Any rights acquired, or liabilities (including liabilities in tort) incurred, in respect of the exercise by the Board or a clinical commissioning group of any of its functions under regulations under subsection (1) are enforceable by or against the Board or (as the case may be) the group (and no other person).'.—*(Mr Lansley.)*

Clause 19

EXERCISE OF PUBLIC HEALTH FUNCTIONS OF THE SECRETARY OF STATE

Amendment made: 54, page 14, line 37, at end insert—

'( ) Any rights acquired, or liabilities (including liabilities in tort) incurred, in respect of the exercise by a body mentioned in subsection (2) of any function exercisable by it by virtue of this section are enforceable by or against that body (and no other person).'.—*(Mr Lansley.)*

Clause 20

THE NHS COMMISSIONING BOARD: FURTHER PROVISION

Amendments made: 55, page 16, leave out lines 28 and 29.

Amendment 56, page 17, leave out lines 27 and 28.

Amendment 57, page 17, leave out lines 33 and 34.

Amendment 58, page 17, leave out lines 39 and 40.

Amendment 59, page 18, leave out lines 14 and 15.

Amendment 60, page 18, leave out lines 42 to 44 and insert—

"(3) The Board must encourage clinical commissioning groups to enter into arrangements with local authorities in pursuance of regulations under section 75 where it considers that this would secure—

(a) that health services are provided in an integrated way and that this would have any of the effects mentioned in subsection (1)(a) to (c), or

(b) that the provision of health services is integrated with the provision of health-related services or social care services and that this would have any of the effects mentioned in subsection (2)(a) to (c).'.

Amendment 61, page 19, leave out lines 1 and 2.

Amendment 62, page 19, leave out lines 19 and 20.

Amendment 63, page 19, line 32, at end insert 'in the exercise of its functions'.

Amendment 64, page 20, leave out lines 3 and 4.

Amendment 65, page 24, line 20, at end insert—

'"health services" means services provided as part of the health service and, in sections 13N and 13P, also includes services that are to be provided as part of the health service'.

Amendment 66, page 24, line 20, at end insert—

'(2) Any reference (however expressed) in the following provisions of this Act to the functions of the Board includes a reference to the functions of the Secretary of State that are exercisable by the Board by virtue of arrangements under section 7A—

(a) section 6E(7) and (10)(b),
(b) section 13A(2),
(c) section 13C(1),
(d) section 13D,
(e) section 13E(1),
(f) section 13F,
(g) section 13G(1),
(h) section 13H(1),
(i) section 13I(1),
(j) section 13J,
(k) section 13K(1),
(l) section 13L,
(m) section 13M(1) and (2),
(n) section 13N(2),
(o) section 13P(1),
(p) section 13S(1),
(q) section 13T(1) and (4),
(r) section 13V(2),
(s) section 13W(1),
(t) section 13Z1(1),
(u) section 13Z2(1),
(v) section 72(1),
(w) section 75(1)(a) and (2),
(x) section 82,
(y) section 223C(2)(a),
(z) in Schedule A1, paragraph 13.

(3) Any reference (however expressed) in the following provisions of other Acts to the functions of the Board includes a reference to the functions of the Secretary of State that are exercisable by the Board by virtue of arrangements under section 7A—

(a) sections 116 to 116B of the Local Government and Public Involvement in Health Act 2007 (joint strategic needs assessments etc.),

(b) section 200(6) of the Health and Social Care Act 2011 (participation of the Board in work of Health and Wellbeing Boards),

(c) section 202(4) of that Act (supply of information to Health and Wellbeing Boards),

(d) section 289(1) and (2) of that Act (duties to co-operate),

(e) section 290(2)(d) of that Act (breaches of duties to co-operate).

(4) The Secretary of State may by order amend the list of provisions specified in subsection (2) or (3).".—*(Mr Lansley.)*

Clause 21

FINANCIAL ARRANGEMENTS FOR THE BOARD

Amendments made: 67, page 24, line 38, after 'change,', insert—

'() a parliamentary general election takes place,'.

Amendment 68, page 26, line 13, after 'change,', insert—

'() a parliamentary general election takes place,'.—*(Mr Lansley.)*

Clause 22

COMMISSIONING CONSORTIA: ESTABLISHMENT ETC.

Amendments made: 69, page 27, line 31, leave out 'of services'.

Amendment 70, page 32, line 3, leave out 'and' and insert—

'() the function of determining the allowances payable under a pension scheme established under paragraph 10(4) of Schedule 1A, and'.

Amendment 71, page 32, leave out lines 13 and 14.—*(Mr Lansley.)*

Clause 23

COMMISSIONING CONSORTIA: GENERAL DUTIES ETC.

Amendments made: 72, page 34, leave out lines 14 and 15.

Amendment 73, page 35, leave out lines 8 and 9.

Amendment 74, page 35, leave out line 19.

Amendment 75, page 35, leave out line 24.

Amendment 76, page 35, leave out lines 39 and 40.

Amendment 77, page 36, leave out lines 28 and 29.

Amendment 78, page 36, line 41, after 'consortium', insert

'in the exercise of its functions'.

Amendment 79, page 37, leave out lines 21 and 22.

Amendment 80, page 47, line 14, at end insert—

'"health services" means services provided as part of the health service and, in section 14Z, also includes services that are to be provided as part of the health service.'.

Amendment 81, page 47, line 14, at end insert—

'(2) Any reference (however expressed) in the following provisions of this Act to the functions of a clinical commissioning group includes a reference to the functions of the Secretary of State that are exercisable by the group by virtue of arrangements under section 7A—

(a) section 6E(7) and (10)(b),
(b) section 14C(2)(e),

(c) section 14O,
(d) section 14P,
(e) section 14S(1),
(f) section 14T(1),
(g) section 14U(1),
(h) section 14V(1),
(i) section 14W(1),
(j) section 14X,
(k) section 14Y(1) and (2),
(l) section 14Z(1),
(m) section 14Z2(1),
(n) section 14Z3(2),
(o) section 14Z4(1),
(p) section 14Z5(7),
(q) section 14Z9(1),
(r) section 14Z13(1),
(s) section 14Z14(2),
(t) sections 14Z15(1), 14Z17(1) and 14Z19(1) and (3),
(u) section 14Z21(1),
(v) section 72(1),
(w) section 75(1)(a) and (2),
(x) section 77(1)(b),
(y) section 82,
(z) section 89(1A)(d),
() section 94(3A)(d),
() section 223C(2)(b),
() section 223H(1),
() in Schedule 1A, paragraphs 3(1) and (3), 5, 11(6)(b) and 13(3).

(3) Any reference (however expressed) in the following provisions of other Acts to the functions of a clinical commissioning group includes a reference to the functions of the Secretary of State that are exercisable by the group by virtue of arrangements under section 7A—

(a) sections 116 to 116B of the Local Government and Public Involvement in Health Act 2007 (joint strategic needs assessments etc.),
(b) section 202(4) of the Health and Social Care Act 2011 (supply of information to Health and Wellbeing Boards),
(c) section 290(2)(d) of that Act (breaches of duties to co-operate).
(d) in Schedule 6 to that Act, paragraph 5(4).

(4) The Secretary of State may by order amend the list of provisions specified in subsection (2) or (3).'".—*(Mr Lansley.)*

Clause 24

FINANCIAL ARRANGEMENTS FOR CONSORTIA

Amendment made: 82, page 50, line 32, leave out 'or 12'.—*(Mr Lansley.)*

Clause 29

ABOLITION OF STRATEGIC HEALTH AUTHORITIES

Amendment proposed: 7, page 54, line 30, at end insert—

'(3) This section comes into force on a date to be specified by order by the Secretary of State.

(4) The time specified in subsection (3) must be after such time as the Secretary of State is satisfied that the workforce education and training functions of strategic health authorities are being fulfilled by another body.'.—*(Owen Smith.)*

Question put, That the amendment be made.

The House divided: Ayes 240, Noes 318.

Division No. 341] **[6.17 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark

Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mr David Anderson and Angela Smith

NOES

Adams, Nigel
Afriyie, Adam
Alexander, rh Danny
Amess, Mr David
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte

Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and Jeremy Wright

Question accordingly negatived.

Clause 42

ROLE OF THE BOARD AND CONSORTIA IN RESPECT OF EMERGENCIES

Amendments made: 83, page 73, line 31, at end insert—

'(7A) Where the Board makes arrangements with another body or person under subsection (7) it may also arrange for that other body or person to exercise any functions that the Board has, by virtue of being a Category 1 responder, under Part 1 of the Civil Contingencies Act 2004.'.

Amendment 84, page 74, line 8, leave out from 'made' to end of line 9 and insert

'by the Board or a clinical commissioning group under or by virtue of section 3, 3A, 3B, 4 or 7A or Schedule 1.'—*(Mr Lansley.)*

Clause 43

SECRETARY OF STATE'S EMERGENCY POWERS

Amendments made: 85, page 74, line 20, after 'person', insert ', other than an NHS body,'.

Amendment 86, page 74, line 21, leave out from 'made' to end of line 23 and insert '—

(i) by the Secretary of State under section 12,

(ii) by the Board or a clinical commissioning group under section 3, 3A, 3B or 4 or Schedule 1,

(iii) by a local authority for the purpose of the exercise of its functions under or by virtue of section 2B or 6C(1) or Schedule 1, or

(iv) by the Board, a clinical commissioning group or a local authority by virtue of section 7A.'.—*(Mr Lansley.)*

Clause 184

HEALTHWATCH ENGLAND

Amendments made: 221, page 169, line 28, leave out 'or assistance' and insert ', information or other assistance'.

Amendment 222, page 171, line 12, after '(1)(b)' insert 'or (3)'.—*(Mr Lansley.)*

Clause 185

ESTABLISHMENT AND CONSTITUTION

Amendments made: 223, page 172, line 30, at end insert—

'( ) In section 229 (sections 221 to 228: interpretation and supplementary)—

(a) in the title and in subsection (1), for "221" substitute "220A", and

(b) in subsection (2), after "228" insert "or Schedule 16A".'.

Amendment 224, page 172, line 40, at end insert—

'( ) In Part 2 of Schedule 1 to the Freedom of Information Act 2000 (local government), after paragraph 35C insert—

"35D A Local Healthwatch organisation."'.—*(Mr Lansley.)*

Clause 188

INDEPENDENT ADVOCACY SERVICE

Amendments made: 225, page 175, line 4, at end insert 'in relation to its area'.

Amendment 226, page 175, line 22, after 'services' insert 'in relation to its area'.

Amendment 227, page 176, line 4, at end insert—

'(9A) The Secretary of State may give directions to a local authority about the exercise of its functions under this section.

(9B) A direction under subsection (9A) may be varied or revoked.'.—*(Mr Lansley.)*

Clause 189

REQUESTS, RIGHTS OF ENTRY AND REFERRALS

Amendments made: 228, page 176, line 42, after second 'organisation' insert '—

(a) '.

Amendment 229, page 176, line 44, after '221(2)' insert ', or

(b) for the purposes of subsection (1)(a) only, in the discharge of its duty under paragraph 6(5) of Schedule 16A.'.

Amendment 230, page 176, line 45, leave out subsection (4) and insert—

'(4) In the title to that section, for "local involvement networks" substitute "Local Healthwatch organisations".'.—*(Mr Lansley.)*

Clause 193

SCRUTINY FUNCTIONS OF LOCAL AUTHORITIES

Amendments made: 231, page 180, line 16, leave out 'NHS providers' and insert 'health service providers'.

Amendment 232, page 180, line 18, leave out 'NHS provider' and insert 'health service provider'.

Amendment 233, page 180, line 21, leave out 'NHS provider' and insert 'health service provider'.

Amendment 234, page 180, line 22, leave out 'NHS provider' and insert 'health service provider'.

Amendment 235, page 180, line 25, leave out 'NHS providers' and insert 'health service providers'.

Amendment 236, page 181, line 12, at end insert—

'( ) Any functions conferred on a local authority by regulations under this section are not to be the responsibility of an executive of the authority under executive arrangements (within the meaning of Part 1A of the Local Government Act 2000).'.

Amendment 237, page 181, line 18, after 'body"', insert

', in relation to an authority to which this section applies,'.

Amendment 238, page 181, line 21, leave out 'NHS provider"' and insert

'health service provider", in relation to an authority to which this section applies,'.

Amendment 239, page 181, line 21, leave out from 'which' to 'is' in line 23 and insert '—

(a) provides services in pursuance of arrangements made—

(i) by the Board or a clinical commissioning group under section 3, 3A, 3B or 4 or Schedule 1,

(ii) by a local authority for the purpose of the exercise of its functions under or by virtue of section 2B or 6C(1) or Schedule 1, or

(iii) by the Board, a clinical commissioning group or a local authority by virtue of section 7A, and

(b) '.

Amendment 240, page 181, leave out lines 27 to 31 and insert—

'(3A) In subsection (2)(f) "member"—

(a) in relation to a clinical commissioning group, includes a person who is not a member of the group but is a member of a committee or sub-committee of it;

(b) in relation to a relevant health service provider which is a body corporate, includes a person who is not a member of the body but is a director of it;

(c) in relation to an NHS trust, means a director of the trust;

(d) in relation to an NHS foundation trust, means a director or governor of the trust.

(3B) For the purposes of subsection (2)(f)—

(a) a member of a body which is a member of a clinical commissioning group or relevant health service provider is to be treated as a member of the group or (as the case may be) relevant health service provider, and

(b) an employee of a body which is a member of a clinical commissioning group or relevant health service provider is to be treated as an employee of the group or (as the case may be) relevant health service provider."'.—*(Mr Lansley.)*

Clause 226

FUNCTIONS OF THE AUTHORITY

Amendments made: 241, page 212, line 21, at end insert—

'( ) In subsection (3) of that section, after "this section" insert "—

"health care profession" means a profession (whether or not regulated by or by virtue of any enactment) which is concerned (wholly or partly) with the physical or mental health of individuals; and".'.

Amendment 242, page 212, line 24, at end insert—

'( ) In section 27 of that Act (the Authority and regulatory bodies), in subsections (5) and (13), for "Secretary of State" substitute "Privy Council".

( ) In subsection (7) of that section—

(a) for "Secretary of State" substitute "Privy Council", and

(b) in paragraph (a), omit "he or".'.

Amendment 243, page 212, line 30, at end insert—

'(7A) In section 38 of that Act (regulations and orders), in subsection (2), omit "27".

(7B) In subsection (3) of that section, for "the Secretary of State" substitute "the Privy Council".

(7C) After subsection (3D) of that section (inserted by section 227(3)) insert—

"(3E) A statutory instrument containing regulations made by the Privy Council under section 27 is subject to annulment in pursuance of a resolution of either House of Parliament.".'.—*(Mr Lansley.)*

Clause 227

FUNDING OF THE AUTHORITY

Amendment made: 244, page 214, line 12, leave out from 'Parliament' to end of line 17 and insert—

"(3B) Regulations made by the Privy Council under section 25A that include provision which would, if included in an Act of the Scottish Parliament, fall within the legislative competence of that Parliament shall be subject to the negative procedure in that Parliament (in addition to the statutory instrument containing the regulations being subject to annulment under subsection (3A)).

(3C) Sections 28 and 31 of the Interpretation and Legislative Reform (Scotland) Act 2010 (negative procedure etc.) shall apply in relation to regulations of the description given in subsection (3B) as they apply in relation to devolved subordinate legislation (within the meaning of Part 2 of that Act) that is subject to the negative procedure, but as if references to a Scottish statutory instrument were references to a statutory instrument.

(3D) Section 32 of that Act (laying) shall apply in relation to the laying of a statutory instrument containing regulations of the description given in subsection (3B) before the Scottish Parliament as it applies in relation to the laying of a Scottish statutory instrument (within the meaning of Part 2 of that Act) before that Parliament.'".—*(Mr Lansley.)*

Clause 229

ACCOUNTABILITY AND GOVERNANCE

Amendment made: 245, page 215, line 43, leave out '(3A) (inserted by section227(3))' and insert '(3E) (inserted by section226(7C))'.—*(Mr Lansley.)*

Clause 230

APPOINTMENTS TO REGULATORY BODIES

Amendments made: 246, page 216, line 11, leave out 'its appointment power' and insert 'any of its appointment functions'.

Amendment 247, page 216, line 15, leave out 'its appointment power' and insert 'any of its appointment functions'.

Amendment 248, page 216, line 17, leave out 'power' and insert 'function'.

Amendment 249, page 216, line 20, leave out 'its appointment power' and insert 'any of its appointment functions'.

Amendment 250, page 216, line 22, leave out 'power' and insert 'function'.

Amendment 251, page 216, line 25, leave out 'power' and insert 'function'.

Amendment 252, page 216, line 27, leave out 'power' and insert 'function'.

Amendment 253, page 216, line 31, leave out 'power' and insert 'function'.

Amendment 254, page 216, line 35, leave out subsection (8) and insert—

'(8) In this section, "appointment functions" means—

(a) in relation to the General Medical Council, the function under paragraph 1A(2) of Schedule 1 to the Medical Act 1983 and such functions as the Privy Council from time to time has by virtue of paragraph 1B(1)(b) or (d) of that Schedule (appointment of members and chair and determination of terms of office),

(b) in relation to the General Dental Council, the function under paragraph 1A(2) of Schedule 1 to the Dentists Act 1984 and such functions as the Privy Council from time to time has by virtue of paragraph 1B(1)(b) or (d) of that Schedule (corresponding functions in relation to that Council),

(c) in relation to the General Optical Council, the function under paragraph 1A(2) of Schedule 1 to the Opticians Act 1989 and such functions as the Privy Council from time to time has by virtue of paragraph 1B(1)(b) or (d) of that Schedule (corresponding functions in relation to that Council),

(d) in relation to the General Osteopathic Council, the function under paragraph 1A(2) of the Schedule to the Osteopaths Act 1993 and such functions as the Privy Council from time to time has by virtue of paragraph 1B(1)(b) or (d) of that Schedule (corresponding functions in relation to that Council),

(e) in relation to the General Chiropractic Council, the function under paragraph 1A(2) of Schedule 1 to the Chiropractors Act 1994 and such functions as the Privy Council has by virtue of paragraph 1B(1)(b) or (d) of that Schedule (corresponding functions in relation to that Council),

(f) in relation to the General Pharmaceutical Council, the function under paragraph 1(2) of Schedule 1 to the Pharmacy Order 2010 (S.I. 2010/231) and such functions as the Privy Council from time to time has by virtue of paragraph 2(1)(b) or (d) of that Schedule (corresponding functions in relation to that Council),

(g) in relation to the Nursing and Midwifery Council, the function under paragraph 1A(2) of Schedule 1 to the Nursing and Midwifery Order 2001 (S.I. 2002/253) and such functions as the Privy Council from time to time has by virtue of paragraph 1B(1)(b) or (d) of that Schedule (corresponding functions in relation to that Council), and

(h) in relation to the Health and Care Professions Council, the function under paragraph 1(2) of Schedule 1 to the Health and Social Work Professions Order 2001 (S.I. 2002/254) and such functions as the Privy Council from time to time has by virtue of paragraph 1B(1)(b) or (d) of that Schedule (corresponding functions in relation to that Council).'.

Amendment 255, page 217, line 13, leave out 'power' and insert 'function'.

Amendment 256, page 217, line 14, leave out 'power' and insert 'function'.—*(Mr Lansley.)*

Clause 233

CONSEQUENTIAL PROVISIONS AND SAVINGS, ETC.

Amendment made: 257, page 223, line 25, after '25A' insert ', 27'.—*(Mr Lansley.)*

Clause 237

QUALITY STANDARDS

Amendments made: 258, page 225, line 2, leave out 'must be' and insert 'has no effect unless it is'.

Amendment 259, page 225, line 6, leave out 'generally or' and insert 'or to disseminate it'.

Amendment 260, page 225, line 33, leave out 'or 12'.—*(Mr Lansley.)*

Clause 244

COMMISSIONING GUIDANCE

Amendment made: 261, page 229, line 18, after 'guidance', insert 'to such persons and'.—*(Mr Lansley.)*

Clause 253

POWERS TO PUBLISH INFORMATION STANDARDS

Amendments made: 262, page 232, line 38, leave out 'to which the information standard relates'.

Amendment 263, page 232, line 42, leave out ', to which the information standard relates'.

Amendment 264, page 233, line 21, leave out 'or 12'.—*(Mr Lansley.)*

Clause 257

POWERS TO DIRECT INFORMATION CENTRE TO ESTABLISH INFORMATION SYSTEMS

Amendments made: 265, page 234, line 30, leave out ', analysis and publication or other dissemination' and insert 'and analysis'.

Amendment 266, page 235, line 4, leave out 'or 12'.

Amendment 267, page 235, line 11, leave out subsection (7).—*(Mr Lansley.)*

Clause 258

POWERS TO REQUEST INFORMATION CENTRE TO ESTABLISH INFORMATION SYSTEMS

Amendments made: 268, page 235, line 17, leave out ', analysis and publication or other dissemination' and insert 'and analysis'.

Amendment 269, page 235, line 24, leave out subsection (3).

Amendment 270, page 235, line 43, leave out 'the United Kingdom' and insert 'England'.—*(Mr Lansley.)*

Clause 262

PUBLICATION OF INFORMATION

Amendments made: 271, page 238, line 19, at end insert 'which is collected pursuant to the direction'.

Amendment 272, page 238, line 20, leave out subsections (4) to (7).

Amendment 273, page 238, line 42, leave out from '258' to end of line 44 and insert

', the Centre—

(a) must comply with the requirements (if any) specified in the direction or mandatory request as to the form, manner and timing of publication of the information, and

(b) may publish the information in such other form and such other manner, and at such other times, as it considers appropriate.'.

Amendment 274, page 238, line 47, leave out from 'Centre' to end of line 48 and insert '—

(a) may act in accordance with such provision (if any) as may be included in the request as to the form, manner and timing of publication of the information, and

(b) may publish the information in such other form and such other manner, and at such other times, as it considers appropriate.'.

Amendment 275, page 239, line 1, leave out 'intervals for' and insert 'timings of'.

Amendment 276, page 239, line 7, leave out 'section' and insert 'Chapter'.—*(Mr Lansley.)*

Clause 274

INTERPRETATION OF THIS CHAPTER

Amendments made: 277, page 243, line 28, leave out paragraph (c) and insert—

'(c) a Northern Ireland Minister;'.

Amendment 278, page 243, line 35, at end insert—

'"Northern Ireland Minister" includes the First Minister, the deputy First Minister and a Northern Ireland Department;'.

Amendment 279, page 243, line 40, at end insert—

'"relevant person" has the meaning given by section 262.'.—*(Mr Lansley.)*

Clause 299

TRANSFER SCHEMES

Amendments made: 280, page 257, line 14, leave out 'section 300' and insert 'sections300 and *[Subsequent property transfer schemes]*'.

Amendment 281, page 257, line 18, at end insert 'or the Board'.—*(Mr Lansley.)*

Clause 302

REGULATIONS, ORDERS AND DIRECTIONS

Amendments made: 282, page 259, line 39, leave out from 'section' to end of line 40 and insert

'*[Duration of transitional period]* (extension of transitional period during which licence conditions may be imposed on NHS foundation trusts)'.

Amendment 283, page 260, line 11, leave out subsection (6) and insert—

'(6) An order by the Privy Council under this Act that includes provision which would, if included in an Act of the Scottish Parliament, fall within the legislative competence of that Parliament is subject to the negative procedure in that Parliament (in addition to the statutory instrument containing the order being subject to annulment under subsection (3)).

(6A) Sections 28 and 31 of the Interpretation and Legislative Reform (Scotland) Act 2010 (negative procedure etc.) apply in relation to an order of the description given in subsection (6) as they apply in relation to devolved subordinate legislation (within the meaning of Part 2 of that Act) that is subject to the negative procedure, but as if references to a Scottish statutory instrument were references to a statutory instrument.

(6B) Section 32 of that Act (laying) shall apply in relation to the laying of a statutory instrument containing an order of the description given in subsection (6) before the Scottish Parliament as it applies in relation to the laying of a Scottish statutory instrument (within the meaning of Part 2 of that Act) before that Parliament.'.

Amendment 284, page 260, line 37, leave out 'or transitional' and insert ', transitional or transitory'.

Amendment 285, page 260, line 42, at end insert—

'(8A) If a draft of a statutory instrument containing an order under section [Duration of transitional period] would, but for this subsection, be treated for the purposes of the Standing Orders of either House of Parliament as a hybrid instrument, it is to proceed in that House as if it were not a hybrid instrument.'.

Amendment 286, page 260, line 45, leave out 'must be given by regulations or' and insert

'—

(a) must, in the case of a direction under any of the following provisions, be given by regulations or an instrument in writing—

(i) section 66(2) (direction to Monitor to perform functions);

(ii) section 237(1) (direction to NICE to prepare quality standards);

(iii) section 248(1) (direction to NICE to perform functions);

(iv) section 252(8) (direction to Board to be transitional commissioner in relation to pre-commencement statements of quality standards);

(v) section 257(1) (direction to Information Centre to establish information systems);

(vi) section 258(6) or (7) (direction to Information Centre to comply, or not to comply, with request to establish information systems);

(vii) section 262(2)(d) (direction to Information Centre that information of specified description is not subject to duty to publish);

(viii) section 271(1) (direction to Information Centre to perform functions);

(ix) paragraph 4 of Schedule6 (direction to Board to exercise functions of Secretary of State relating to Primary Care Trusts), and

(b) must, in the case of any other direction, be given by'.—*(Mr Lansley.)*

Clause 304

COMMENCEMENT

Amendment made: 287, page 261, line 29, leave out from beginning to 'may' in line 30 and insert

'Transitory provision in an order under subsection (2) or (4)'.—*(Mr Lansley.)*

Clause 305

EXTENT

Amendments made: 288, page 261, line 43, at end insert—

'() section42 insofar as it inserts section 252A(7A) of the National Health Service Act 2006;'.

Amendment 289, page 262, line 16, leave out subsection (4).

Amendment 290, page 262, line 18, leave out 'The following provisions' and insert

'Sections 131 to 136 (health special administration)'.

Amendment 291, page 262, line 19, leave out paragraphs (a) and (b).—*(Mr Lansley.)*

Schedule 2

COMMISSIONING CONSORTIA

Amendments made: 292, page 270, leave out lines 21 to 23.

Amendment 293, page 270, line 30, at end insert—

'( ) In this paragraph, references to the functions of the governing body of a clinical commissioning group include references to the functions of the clinical commissioning group which are exercisable by the governing body under arrangements specified in the constitution by virtue of paragraph 3(3).'.

Amendment 294, page 271, line 18, leave out from 'employees' to 'under' in line 19 and insert

'remuneration and travelling or other allowances in accordance with determinations made by its governing body'.

Amendment 295, page 272, line 13, leave out from 'pay' to end of line 14 and insert

'remuneration and travelling or other allowances to the accountable officer in accordance with determinations made by its governing body under section 14L(3)(a)'.

Amendment 296, page 272, line 14, at end insert—

'(5A) A clinical commissioning group may, for or in respect of its accountable officer, make arrangements for providing pensions, allowances or gratuities.

(5B) The arrangements that may be made under sub-paragraph (5A) include arrangements for the provision of pensions, allowances or gratuities by way of compensation to or in respect of the accountable officer where the officer suffers loss of office or loss or diminution of emoluments.

(5C) Where a clinical commissioning group has, by virtue of paragraph 10(4), established a pension scheme, the arrangements that may be made under sub-paragraph (5A) include arrangements for the accountable officer to be a member of the scheme.'.

Amendment 297, page 272, line 26, at end insert—

'Remuneration etc for members of governing bodies

(1) A clinical commissioning group may pay members of its governing body such remuneration and travelling or other allowances as it considers appropriate.

(2) A clinical commissioning group may, for or in respect of such members of its governing body as it may determine, make arrangements for providing pensions, allowances or gratuities.

(3) Such arrangements may include the establishment and administration, by the clinical commissioning group or otherwise, of one or more pension schemes.

(4) The arrangements that may be made under sub-paragraph (2) include arrangements for the provision of pensions, allowances or gratuities by way of compensation to or in respect of any members of the governing body who suffer loss or diminution of emoluments.

(5) Where a clinical commissioning group has, by virtue of paragraph 10(4), established a pension scheme, the arrangements that may be made under sub-paragraph (2) include arrangements for members of the governing body to be members of the scheme.

(6) Sub-paragraph (2) does not apply to members of the governing body who are—

(a) members or employees of the clinical commissioning group, or

(b) members or employees of a body that is a member of the clinical commissioning group.'.

Amendment 298, page 272, line 26, at end insert—

'Additional powers in respect of payment of allowances

A clinical commissioning group may pay such travel or other allowances as it considers appropriate to any of the following—

(a) members of the clinical commissioning group who are individuals;

(b) individuals authorised to act on behalf of a member of the clinical commissioning group in dealings between the member and the group;

(c) members of any committee or sub-committee of the clinical commissioning group or its governing body.'.

Amendment 299, page 274, leave out lines 14 to 16.—*(Mr Lansley.)*

Schedule 4

AMENDMENTS OF THE NATIONAL HEALTH SERVICE ACT 2006

Amendments made: 300, page 279, line 33, after '(4)' insert '—

( ) after paragraph (a) insert—

"(aa) the Board,

(ab) a clinical commissioning group,

(ac) a local authority,",'.

Amendment 301, page 279, line 35, at end insert—

'( ) After subsection (4) insert—

(4A) In subsection (4), "local authority" has the same meaning as in section 2B."'.

Amendment 302, page 280, line 37, leave out 'or a commissioning consortium' and insert

', a clinical commissioning group or a local authority'.

Amendment 303, page 280, line 41, after 'State', insert 'or a local authority'.

Amendment 304, page 281, line 7, at end insert—

'( ) After subsection (6) insert—

(7) In this section and sections 12B to 12D, "local authority" has the same meaning as in section 2B."'.

Amendment 305, page 281, line 10, leave out 'or a commissioning consortium' and insert

', a clinical commissioning group or a local authority'.

Amendment 306, page 281, line 13, leave out 'or a commissioning consortium' and insert

', a clinical commissioning group or a local authority'.

Amendment 307, page 281, line 15, leave out 'or the commissioning consortium' and insert

', clinical commissioning group or local authority'.

Amendment 308, page 281, line 18, leave out 'or' and insert

'or a local authority or as'.

Amendment 309, page 281, line 22, leave out 'or a commissioning consortium' and insert

', a clinical commissioning group or a local authority'.

Amendment 310, page 281, line 29, leave out 'or a commissioning consortium' and insert

', a clinical commissioning group or a local authority'.

Amendment 311, page 281, line 31, leave out 'or a commissioning consortium' and insert

', a clinical commissioning group or a local authority'.

Amendment 312, page 281, line 35, at end insert—

In section 29 (exercise of Special Health Authority functions), in subsection (2)(a)—

(a) omit ", section 14", and

(b) omit ", section 19".'.

Amendment 313, page 282, line 14, at end insert —

( ) after paragraph (h) (and before the "and" immediately following it) insert—

"(ha) a company formed under section 223 and wholly or partly owned by the Secretary of State or the Board,", and'.

Amendment 314, page 282, line 15, leave out from '(i)' to end of line 16 and insert '—

(i) for "paragraphs (a) to (h)", in the first place where it occurs, substitute "paragraphs (za) to (ha)", and

(ii) for "paragraphs (a) to (h)", in the second place where it occurs, substitute "paragraphs (za) to (h)".'.

Amendment 315, page 282, line 17, after '(2A)', insert '—

( ) after paragraph (a) insert—

"(ab) in relation to a company within paragraph (ha) of subsection (2), means the company's activities in providing facilities or services to any person or body;", and'.

Amendment 316, page 282, line 32, leave out 'In Schedule 4,' and insert—

'(1) Schedule 4 (NHS trusts) is amended as follows.

(2) In paragraph (5)(1)(f), omit "Primary Care Trusts,".

(3) In paragraph 6—

(a) in sub-paragraph (1) —

(i) omit "Strategic Health Authority," and

(ii) omit ", Primary Care Trust", and

(b) in sub-paragraph (2) —

(i) omit "Strategic Health Authority," and

(ii) omit ", Primary Care Trust".

(4) In paragraph 7(3), omit "Strategic Health Authority,".

(5) In paragraph 8—

(a) in sub-paragraph (1), omit ", Primary Care Trust" (in each place where it occurs), and

(b) in sub-paragraph (4), omit ", Primary Care Trust",

(c) in sub-paragraph (5), omit ", Primary Care Trust" (in each place where it occurs),

(d) in sub-paragraph (6)(b), omit ", Primary Care Trust", and

(e) in sub-paragraph (9)(b), omit ", Primary Care Trust".

(6) In paragraph 9—

(a) in sub-paragraph (1)—

(i) omit "a Strategic Health Authority,", and

(ii) omit "a Primary Care Trust,",

(b) in sub-paragraph (3)—

(i) omit "Strategic Health Authority,", and

(ii) omit "Primary Care Trust,",

(c) in sub-paragraph (6)—

(i) omit "a Strategic Health Authority,", and

(ii) omit ", a Primary Care Trust,",

(d) in sub-paragraph (7)—

(i) in paragraph (a), omit "Strategic Health Authority,",

(ii) in that paragraph omit "or belong to a Primary Care Trust", and

(iii) in the words following paragraph (b)—omit "Strategic Health Authority,", and omit "Primary Care Trust,".'.

Amendment 317, page 282, line 32, at end insert—

'( ) In paragraph 18—

(a) omit "Strategic Health Authority," and

(b) omit "Primary Care Trust,".

( ) In paragraph 29, in sub-paragraph (3) omit "Strategic Health Authority,".

( ) In paragraph 30, in sub-paragraph (1)—

(a) omit "Strategic Health Authority," and

(b) omit "Primary Care Trust,".'.

Amendment 318, page 283, line 34, at end insert

'(including by virtue of section 7A)'.

Amendment 319, page 284, line 37, at end insert—

'( ) The reference in subsection (9) to arrangements made by the Board or (as the case may be) a clinical commissioning group include references to arrangements so made by virtue of section 7A."'.

Amendment 320, page 296, line 16, after '(4A)(a)' insert '—

(a) '.

Amendment 321, page 296, line 16, after 'Board"' insert ', and

(b) for "to persons who provide" substitute "for providing".'.

Amendment 322, page 302, line 21, leave out paragraph (c) and insert—

'(c) for paragraph (d) substitute —

"(d) in any other case—

(i) where the hospital is vested in the Secretary of State, the Special Health Authority exercising functions of the Secretary of State in respect of it or, where there is no such Special Health Authority, the Secretary of State,

(ii) where the Welsh Ministers have functions in respect of the hospital, the Special Health Authority or Local Health Board exercising those functions."'.

Amendment 323, page 303, line 42, at end insert

'or pursuant to arrangements made in the exercise (by any person) of the public health functions of the Secretary of State or a local authority."'.

Amendment 324, page 305, line 32, at end insert—

In section 271 (territorial limit of exercise of functions), in the words in brackets in subsection (3)(a), after "directions to" insert "certain".'.

Amendment 325, page 305, line 32, at end insert—

After section 271 insert—

"271A Services to be treated as services of the Crown for certain purposes

(1) Services to which this section applies are to be treated as services of the Crown for the purposes of—

(a) Schedule 1 to the Registered Designs Act 1949 (provisions as to the use of registered designs for the services of the Crown etc.), and

(b) sections 55 to 59 of the Patents Act 1977 (use of patented inventions for the services of the Crown).

(2) This section applies to services provided in pursuance of—

(a) the functions of the Board or a clinical commissioning group under section 3, 3A, 3B or 4 or Schecule 1, or

(b) the public health functions of a local authority.'".

Amendment 326, page 305, line 34, after '*(3)*', insert '—

(a) omit paragraph (b), and'.

Amendment 327, page 305, line 40, after '(4)(c)(ii)', insert '—

(a) after "8," insert "13Z1,", and':

Amendment 328, page 306, line 21, at end insert—

'( ) Until the commencement of section 29, the definition of "NHS body" in section 275 of the National Health Service Act 2006 has effect as if it included a reference to a Strategic Health Authority.'.—*(Mr Lansley.)*

Schedule 5

PART 1: AMENDMENTS AND OTHER ENACTMENTS

Amendments made: 329, page 310, line 5, at end insert 'the Secretary of State,'.

Amendment 330, page 310, line 15, after '(2)', insert '(as substituted by the National Health Service Reorganisation Act 1973)'.

Amendment 331, page 310, line 45, at end insert—

'Local Government Act 1974 (c. 7)

In section 26 of the Local Government Act 1974 (matters subject to investigation by Local Commissioner), in subsection (1), after paragraph (c) insert—

"(d) an alleged or apparent failure in a service provided by the authority in pursuance of arrangements under section 7A of the National Health Service Act 2006;

(e) an alleged or apparent failure to provide a service in pursuance of such arrangements.'".

Amendment 332, page 312, line 37, at end insert—after "the National Health Service (Wales) Act 2006," (in the second place where it occurs) insert

"the Secretary of State where the Secretary is responsible for the administration of the hospital or",'.

Amendment 333, page 313, line 11, leave out from '(2)(aa)' to end of line 13 and insert '—

(a) omit "under section 92 of the National Health Service Act 2006 or",

(b) after "section 100" insert "of the National Health Service Act 2006 or an agreement under section 107",

(c) omit "under section 50 of the National Health Service (Wales) Act 2006 or", and

(d) after "section 57" insert "of the National Health Service (Wales) Act 2006 or an agreement under section 64".'.

Amendment 334, page 315, line 3, after 'insert "', insert 'the Secretary of State,'.

Amendment 335, page 315, line 11, after 'by', insert 'the Secretary of State,'.

Amendment 336, page 315, line 18, after 'by', insert 'the Secretary of State,'.

Amendment 337, page 315, line 32, after 'insert "', insert 'the Secretary of State,'.

Amendment 338, page 315, line 47, after 'by', insert 'the Secretary of State,'.

Amendment 339, page 316, line 6, after 'by', insert 'the Secretary of State,'.

Amendment 340, page 316, line 16, after 'by', insert 'the Secretary of State,'.

Amendment 341, page 316, line 20, after 'to', insert 'the Secretary of State,'.

Amendment 342, page 316, line 29, at end insert—

'( ) After subsection (7) insert—

(7A) References in this Act to a hospital or accommodation made available or provided pursuant to arrangements made by the Secretary of State under the National Health Service Act 2006 are references to a hospital or accommodation made available or provided pursuant to arrangements so made in the exercise of the public health functions of the Secretary of State (within the meaning of that Act).

(7B) References in this Act to arrangements made by the National Health Service Commissioning Board or a clinical commissioning group under the National Health Service Act 2006 include references to arrangements so made by virtue of section 7A of that Act.'".

Amendment 343, page 316, line 40, after 'services', insert

'(including services that may be provided pursuant to such arrangements by virtue of section 7A of that Act)'.

Amendment 344, page 317, line 31, leave out from 'substitute' to end of line 33 and insert

'"by any person in pursuance of arrangements made by the National Health Service Commissioning Board or by a clinical commissioning group under the National Health Service Act 2006 (including by virtue of section 7A of that Act)".'.

Amendment 345, page 318, line 22, at end insert—

The Health Service Commissioners Act 1993 is amended as follows.

In section 2 (health service bodies subject to investigation), in subsection (1)—

(a) omit paragraph (a),

(b) omit paragraph (da), and

(c) after paragraph (db) insert—

"(dc) the National Health Service Commissioning Board,

(dd) clinical commissioning groups.'".

In section 2A (health service providers subject to investigation), in subsection (1)(a) for "a Primary Care Trust" substitute "the National Health Service Commissioning Board".

(1) Section 14 (reports etc. by the Commissioner) is amended as follows.

(2) In subsection (1)—

(a) at the end of paragraph (c) insert "and", and

(b) omit paragraph (e) and the preceding "and".

(3) In subsection (2A)—

(a) at the end of paragraph (d) insert "and", and

(b) omit paragraph (f) and the preceding "and".

(4) In subsection (2C)—

(a) at the end of paragraph (d) insert "and", and

(b) omit paragraph (f) and the preceding "and".

(5) Omit subsection (2E)(e).

(6) In subsection (2G)—

(a) at the end of paragraph (c) insert "and", and

(b) omit paragraph (e) and the preceding "and".'.

Amendment 346, page 318, line 23, leave out

'of the Health Service Commissioners Act 1993'.

Amendment 347, page 322, line 36, at end insert—

'Regulation of Investigatory Powers Act 2000 (c. 23)

In section 4 of the Regulation of Investigatory Powers Act 2000 (power to provide for lawful interception) in subsection (5) for "section 8 of the National Health Service Act 2006" substitute "section 4(3A)(a) of the National Health Service Act 2006".'.

Amendment 348, page 323, line 29, after '2006', insert

'(including by virtue of section 7A of that Act)'.

Amendment 349, page 325, line 16, at end insert—

In section 113 (complaints about health care), in subsection (1), after paragraph (c) insert—

"(d) anything done by the National Health Service Commissioning Board or a clinical commissioning group in pursuance of arrangements made under section 7A of the National Health Service Act 2006.'".

Amendment 350, page 326, line 17, at end insert—

'"() the Secretary of State, in relation to the exercise of functions under section 2A or 2B of, or paragraph 7C, 8 or 12 of Schedule 1 to, the National Health Service Act 2006,'.

Amendment 351, page 327, line 18, at end insert—

'Civil Contingencies Act 2004 (c. 36)

(1) Schedule 1 to the Civil Contingencies Act 2004 (lists of Category 1 and 2 responders) is amended as follows.

(2) In Part 1 (which contains the general list of Category 1 responders)—

(a) after the cross-heading "Health" insert—

4A The National Health Service Commissioning Board.", and

(b) omit paragraph 7.

(3) In Part 3 (which contains the general list of Category 2 responders)—

(a) after the cross-heading "Health" insert—

29ZA A clinical commissioning group established under section 14D of the National Health Service Act 2006.", and

(b) omit paragraph 29A.'.

Amendment 352, page 327, line 45, leave out 'and' and insert—

( ) after that paragraph insert—

(aa) in relation to England, if the hospital falls within paragraph (a)(i) or (ii) and no Special Health Authority has responsibility for its administration, the Secretary of State;",'.

Amendment 353, page 331, line 9, after 'networks)' insert '—

(a) for "services-provider", in each place it appears, substitute "responsible person",

(b) in subsection (2), before paragraph (a) insert—

"(za) the National Health Service Commissioning Board;

(zb) a clinical commissioning group;",

(c) '.

Amendment 354, page 331, line 9, at end insert ', and

() in the title, for "services-providers" substitute "responsible persons".

Amendment 355, page 333, line 24, leave out 'or 12'.

Amendment 356, page 335, line 45, at end insert—

In section 36 (disclosure of information by Her Majesty's Revenue and Customs), in subsection (3) after paragraph (a) insert—

"(aa) the National Health Service Commissioning Board;".'.—*(Mr Lansley.)*

Schedule 6

PART 1: TRANSITIONAL PROVISION

Amendments made: 357, page 336, line 36, at end insert—

'Modification of requirements as to consultation

(1) If, at any time before the commencement of section 6, the Secretary of State consults a Special Health Authority as to the making of regulations under section 3B of the 2006 Act (as inserted by section 12), the consultation is to be treated for the purposes of subsection (4)(b) of section 3B as consultation with the Board.

(2) If, at any time before the commencement of section 6, the Secretary of State consults a Special Health Authority about the objectives or requirements to be included in the first mandate published under section 13A of the 2006 Act (as inserted by section 20), the consultation is to be treated for the purposes of subsection (8)(a) of section 13A as consultation with the Board.'.

Amendment 358, page 336, line 37, at end insert—

1A (1) This paragraph applies if section 18 is commenced before section 29(1).

(2) Until section 29(1) is commenced, section 7(1) of the 2006 Act has effect as if after "Special Health Authority" there were inserted "or Strategic Health Authority".

(3) Sub-paragraph (4) applies in relation to any direction given under section 7(1) of the 2006 Act to a Strategic Health Authority which has effect immediately before section 18 is commenced.

(4) Until section 29(1) is commenced, the direction continues to have effect as if given to the Strategic Health Authority under section 7(1) of the 2006 Act (as it has effect by virtue of sub-paragraph (2)).

(5) Sub-paragraph (6) applies in relation to any direction given under section 7(2) of the 2006 Act to a Special Health Authority in respect of the functions of a Strategic Health Authority which has effect immediately before section 18 is commenced.

(6) Until section 29(1) is commenced, the direction continues to have effect as if given to the Special Health Authority in respect of the functions of the Strategic Health Authority under section 7(1) of the 2006 Act.

(7) Any reference in this paragraph to section 7(1) of the 2006 Act is a reference to that provision as amended by section 18.'.

Amendment 359, page 337, line 24, at end insert—

Any reference in paragraphs 1A to 3 to the commencement of section 18 is to its commencement by virtue of an order under section304(4) (and not to its commencement for limited purposes by virtue of section 304(1)(d)).'.

Amendment 360, page 337, line 28, after "Trusts", insert "or Strategic Health Authorities'.

Amendment 361, page 339, line 14, at end insert—

'( ) Any reference (however expressed) in the following provisions of Chapter A2 of Part 2 of the National Health Service Act 2006 to the functions of a clinical commissioning group includes a reference to the functions of a Primary Care Trust that are exercisable by the group by virtue of sub-paragraph (1)—

(a) section 14O(1),

(b) section 14P,

(c) section 14Q(1),

(d) section 14S(1),

(e) section 14T(1),

(f) section 14U(1),

(g) section 14V(1),

(h) section 14W(1),

(i) section 14X,

(j) section 14Y(1) and (2),

(k) section 14Z1(7),

(l) section 14Z2(1),

(m) section 14Z3(2),

(n) section 14Z5(7) insofar as it defines "commissioning functions" in section 14Z6,

(o) sections 14Z15(1), 14Z17(1) and 14Z19(1) and (3),

(p) in Schedule 1A, paragraphs 3(1) and (3), 5 and 11(6)(b).'.

Amendment 362, page 339, line 14, at end insert—

'( ) Arrangements made under sub-paragraph (1) do not affect the liability of the Primary Care Trust for the exercise of any of its functions.'.

Amendment 363, page 339, line 14, at end insert—

'Power to make payments to the Board during initial period

(1) The Secretary of State may make payments to the Board of such amounts as the Secretary of State considers appropriate towards meeting the expenditure of the Board which is attributable to the performance by it of its functions during the initial period.

(2) Payments under sub-paragraph (1) may be made at such times and on such terms and conditions as the Secretary of State considers appropriate.'.

Amendment 364, page 339, line 14, at end insert—

'Support for clinical commissioning groups during initial period

(1) A Primary Care Trust may provide assistance or support to a clinical commissioning group during the initial period.

(2) The assistance that may be provided includes—

(a) financial assistance, and

(b) making the services of the Trust's employees or any other resources of the Trust available to the group.

(3) Assistance or support provided under this paragraph may be provided on such terms and conditions, including terms as to payment, as the Trust considers appropriate.

(4) The Primary Care Trust may, in particular, impose restrictions on the use of any financial or other assistance or support provided under this paragraph.

(5) A clinical commissioning group must comply with any restrictions imposed under sub-paragraph (4).'.—*(Mr Lansley.)*

Schedule 7

ABOLITION OF THE HEALTH PROTECTION AGENCY: CONSEQUENTIAL AMENDMENTS

Amendment made: 365, page 341, line 8, at end insert—

'Civil Contingencies Act 2004 (c. 36)

In Schedule 1 to the Civil Contingencies Act 2004, in Part 1 (list of Category 1 responders) for paragraph 9 substitute—

9 The Secretary of State, in so far as the functions of the Secretary of State include responding to emergencies by virtue of —

(a) the Secretary of State's functions under section 2A of the National Health Service Act 2006,

(b) the Secretary of State's functions under section 54 of the Health and Social Care Act 2011 in so far as it applies in relation to Wales or Scotland, or

(c) arrangements made by the Welsh Ministers or Scottish Ministers under which the Secretary of State exercises on their behalf functions in relation to protecting the public in Wales or Scotland from disease or other dangers to health.'".—*(Mr Lansley.)*

Schedule 15

LOCAL HEALTHWATCH ORGANISATIONS

Amendment made: 373, page 378, line 21, at end insert—

'(5) The regulations may impose duties on a responsible person as respects responding to requests for information made by a person who has power to appoint a member of an LHW when discharging the duty imposed by virtue of sub-paragraph (3).

(6) In sub-paragraph (5), "responsible person" means a responsible person for the purposes of section 224(1).'.—*(Mr Lansley.)*

Schedule 16

PART 7: CONSQUENTIAL AMENDMENTS AND SAVINGS

Amendments made: 374, page 381, line 25, at end insert—

Omit section 70 (abolition of the Central Council for Education and Training in Social Work).'.

Amendment 375, page 381, line 28, at end insert—

In section 114 (schemes for the transfer of staff), in subsection (1), omit ", 70".

In section 118 (orders and regulations), in subsection (4), omit the words from "; and" to the end.

In section 121 (interpretation), in the table in subsection (13), omit the entry for "CCETSW".

In section 122 (commencement), omit "section 70(2) to (5) and".

In section 123 (extent), omit subsection (3).'.

Amendment 376, page 384, line 41, at end insert—

In section 171(4) (provisions which Welsh Ministers have power to commence), before paragraph (a) insert—

"(za) sections 124 and 125 and Schedule 9 (regulation of social care workers: Wales) and section 126 (education and training of approved mental health professionals: Wales),'.

Amendment 377, page 386, line 39, leave out paragraph 53.

Amendment 378, page 388, line 7, at end insert—

Omit section 26(12) of that Act.'.

Amendment 379, page 388, line 33, leave out paragraph (e).—*(Mr Lansley.)*

Schedule 18

PART 8: CONSEQUENTIAL AMENDMENTS

Amendments made: 380, page 397, line 5, at beginning insert—

'(1) The Employment Rights Act 1996 is amended as follows.

(2) In section 50 (right to time off for public duties) in subsection (8), after paragraph (ab) insert—

"(ac) the National Institute for Health and Care Excellence,".'.

Amendment 381, page 397, line 5, leave out

'of the Employment Rights Act 1996'.

Amendment 382, page 397, line 7, at end insert—

'Data Protection Act 1998 (c. 29)

In section 69 of the Data Protection Act 1998 (meaning of "health professional") in subsection (3), after paragraph (fa) insert—

"(fb) the National Institute for Health and Care Excellence,".'.—*(Mr Lansley.)*

Schedule 20

PART 9: CONSEQUENTIAL AMENDMENTS

Amendments made: 383, page 404, line 5, at end insert—

'Access to Health Records Act 1990 (c. 23)

In section 11 of the Access to Health Records Act 1990 (interpretation) in the definition of "health service body", at the end insert—

"(f) the Health and Social Care Information Centre;".'.

Amendment 384, page 404, line 7, at beginning insert—

'(1) The Employment Rights Act 1996 is amended as follows.

(2) In section 50 (right to time off for public duties) in subsection (8), after paragraph (ac) (inserted by Schedule 18) insert—

"(ad) the Health and Social Care Information Centre,".'.

Amendment 385, page 404, line 7, leave out 'of the Employment Rights Act 1996'.

Amendment 386, page 404, line 9, at end insert—

'*Data Protection Act 1998 (c. 29)*

In section 69 of the Data Protection Act 1998 (meaning of "health professional") in subsection (3), after paragraph (fb) (inserted by Schedule 18) insert—

"(fc) the Health and Social Care Information Centre,".'.—*(Mr Lansley.)*

Schedule 22

AMENDMENTS RELATING TO RELATIONSHIPS BETWEEN THE HEALTH SERVICES

Amendments made: 387, page 409, line 2, leave out 'the Secretary of State or a body' and insert 'a person'.

Amendment 388, page 409, line 3, after '(jb),', insert '(m),'.

Amendment 389, page 409, line 14, leave out 'the Welsh Ministers are, or a body' and insert 'a person'.

Amendment 390, page 409, line 15, leave out 'or (k) is,' and insert '(k) or (ma) is'.

Amendment 391, page 409, line 28, after 'jointly.', insert—

"(15) Subsection (16) applies (and subsections (12) and (14) do not apply) where a cross-border Special Health Authority is a party or prospective party to an arrangement or proposed arrangement which—

(a) falls within subsection (1); and

(b) also falls within the definition of NHS contract in section 9 of the National Health Service Act 2006 and the definition of NHS contract in section 7 of the National Health Service (Wales) Act 2006.

(16) Subsections (4) to (9) shall apply in relation to that arrangement or proposed arrangement (except in so far as it relates to reserved matters within the meaning of the Scotland Act 1998) with the substitution for references to the Secretary of State—

(a) where the cross-border Special Health Authority is exercising functions in relation to England only, of references to the Secretary of State and the Scottish Ministers acting jointly;

(b) where the Authority is exercising functions in relation to Wales only, of references to the Welsh Ministers and the Scottish Ministers acting jointly; and

(c) where the Authority is exercising functions in relation to England and Wales, of references to the Secretary of State and the Welsh Ministers acting concurrently with each other and jointly with the Scottish Ministers.

(17) In subsections (15) and (16), "cross-border Special Health Authority" means a Special Health Authority which is established under the National Health Service Act 2006 and the National Health Service (Wales) Act 2006 by virtue of—

(a) paragraph 1(2) of Schedule 2 to the National Health Service (Consequential Provisions) Act 2006, or

(b) the power under section 28 of the National Health Service Act 2006 and the power under section 22 of the National Health Service (Wales) Act 2006 being exercised together.'.

Amendment 392, page 410, line 26, after second 'arrangement', insert

'(except in so far as it relates to reserved matters within the meaning of the Scotland Act 1998)'.

Amendment 393, page 410, line 28, after 'jointly.', insert—

"(3) Subsection (4) applies (and subsection (2) does not apply) where a cross-border Special Health authority is a party or prospective party to an arrangement or proposed arrangement which—

(a) falls within the definition of NHS contract in section 9(1), and

(b) also falls within the definition of NHS contract in section 17A of the National Health Service (Scotland) Act 1978 and the definition of NHS contract in section 7(1) of the National Health Service (Wales) Act 2006.

(4) Subsections (5) to (13) of section 9 apply in relation to that arrangement or proposed arrangement (except in so far as it relates to reserved matters within the meaning of the Scotland Act 1998) with the substitution for references to the Secretary of State—

(a) where the cross-border Special Health Authority is exercising functions in relation to England only, of references to the Secretary of State and the Scottish Ministers acting jointly; and

(b) where the Authority is exercising functions in relation to England and Wales, of references to the Secretary of State and the Welsh Ministers acting concurrently with each other and jointly with the Scottish Ministers.

(5) In subsections (3) and (4), "cross-border Special Health Authority" means a Special Health Authority which is established under the National Health Service Act 2006 and the National Health Service (Wales) Act 2006 by virtue of—

(a) paragraph 1(2) of Schedule 2 to the National Health Service (Consequential Provisions) Act 2006, or

(b) the power under section 28 of the National Health Service Act 2006 and the power under section 22 of the National Health Service (Wales) Act 2006 being exercised together.'.

Amendment 394, page 410, line 32, at end insert—

'( ) Until the commencement of section 29 of this Act, subsection (1) of section 66 of the National Health Service Act 2006 has effect as if it included a reference to Strategic Health Authorities.'.

Amendment 395, page 411, line 6, at end insert—

'( ) Until the commencement of section 29 of this Act, subsection (1) of section 68 of the National Health Service Act 2006 has effect as if it included a reference to Strategic Health Authorities.'.

Amendment 396, page 411, line 40, after 'Ministers', insert '—

(a) in so far as the arrangement or proposed arrangement relates to reserved matters within the meaning of the Scotland Act 1998, of references to the Welsh Ministers and the Secretary of State acting jointly, and

(b) for all other purposes,'.

Amendment 397, page 411, line 41, after 'jointly.', insert—

"(3) Subsection (4) applies (and subsection (2) does not apply) where a cross-border Special Health Authority is a party or prospective party to an arrangement or proposed arrangement which—

(a) falls within the definition of NHS contract in section 7(1), and

(b) also falls within the definition of NHS contract in section 17A of the National Health Service (Scotland) Act 1978 and the definition of NHS contract in section 9(1) of the National Health Service Act 2006.

(4) Subsections (5) to (13) of section 7 apply in relation to the arrangement or proposed arrangement (except in so far as it relates to reserved matters within the meaning of the Scotland Act 1998) with the substitution for references to the Welsh Ministers—

(a) where the cross-border Special Health Authority is exercising functions in relation to Wales only, of references to the Welsh Ministers and the Scottish Ministers acting jointly, and

(b) where the Authority is exercising functions in relation to England and Wales, of references to the Welsh Ministers and the Secretary of State acting concurrently with each other and jointly with the Scottish Ministers.

(5) In subsections (3) and (4), "cross-border Special Health Authority" means a Special Health Authority which is established under the National Health Service Act 2006 and the National Health Service (Wales) Act 2006 by virtue of—

(a) paragraph 1(2) of Schedule 2 to the National Health Service (Consequential Provisions) Act 2006, or

(b) the power under section 28 of the National Health Service Act 2006 and the power under section 22 of the National Health Service (Wales) Act 2006 being exercised together.'.

Amendment 398, page 413, line 7, leave out from 'services),' to end of line 10 and insert 'omit subsection (4)'.

Amendment 399, page 413, line 16, leave out from 'services),' to end of line 19 and insert 'omit subsection (4)'.

Amendment 400, page 416, line 42, at end insert—

( ) omit sub-paragraph (i),'.

Amendment 401, page 416, line 44 [Schedule 22], leave out 'after sub-paragraph (i)' and insert 'before sub-paragraph (j)'.—*(Mr Lansley.)*

Schedule 23

Property transfer schemes

Amendment made: 402, page 418, line 41, column 2, at end insert—

'A Special Health Authority

A qualifying company'.—*(Mr Lansley.)*

Third Reading

6.31 pm

Mr Lansley: I beg to move, That the Bill be now read the Third time.

The national health service is among our most valued and loved institutions. Indeed, it is often described as the closest thing we have to a national religion. I am not sure that that was always intended to be complimentary, but I think it should be. People in this country believe in the NHS wholeheartedly, share in its values and the social solidarity it brings, and admire the doctors, nurses and staff who work in it.

It is because I share that belief that I am here. Over eight years, I have supported, challenged and defended the NHS. As a party, and now as a Government, we have pledged unwavering support for the NHS, both in principle, because we believe in the values of the NHS, and in a practical way because we are reforming the NHS to secure its future alongside the additional £12.5 billion of taxpayer funding over the next four years that we have pledged for the NHS in England.

Nicola Blackwood (Oxford West and Abingdon) (Con): Will my right hon. Friend give way?

Mr Lansley: If my hon. Friend will forgive me, I will not give way because other Members wish to speak on Third Reading.

In Wales, a Labour Government are cutting the budget for the NHS. The coalition Government's commitment to the NHS will not waver. The Government and I, as Health Secretary, will always be accountable for promoting and securing the provision of a comprehensive health service that is free and based on need, not ability to pay.

What matters to patients is not only how the NHS works, but, more importantly, the improvements that the modernisations will energise—a stronger patient voice, clinical leadership, shared NHS and local government leadership in improving public health, and innovation and enterprise in clinical services. Everyone will benefit from the fruit that the Bill and the reforms bring. There will be improved survival rates, a personalised service tailored to the choices and needs of patients, better access to the right care at the right time, and meaningful information to support decisions. The Bill provides the constitution and structure that the NHS needs to work for the long term.

Patients know that it is their doctors and nurses—the people in whom they place their trust—who make the best decisions about their individual care. The Bill is about helping those people to become leaders. It is not about turning medical professionals into managers or administrators, but about turning the NHS from a top-down administrative pyramid with managers and administrators at its zenith into a clinically led service that is responsive to patients, with management support on tap, not on top. It is about putting real power into the hands of patients, ensuring that there truly is "no decision about me without me". My only motivation is to safeguard and strengthen the NHS, and that is why I am convinced that the principles of this modernisation are necessary.

Of course, the Bill has been through a long passage. There have been questions and new ideas, and many concerns and issues have been raised. We have done throughout, and will continue to do, what all Governments should do—listen, reflect, then respond and improve. The scrutiny process to this point has been detailed and forensic. There were the original 6,000 responses to the White Paper consultation, many public and stakeholder meetings and 28 sittings in Committee, after which the hon. Member for Halton (Derek Twigg) acknowledged that "every inch" of the Bill had been scrutinised, but we were still none the less determined to listen, reflect and improve.

I wish to thank the NHS Future Forum, under Steve Field's leadership, for its excellent and continuing work. I also thank more than 8,000 members of the public, health professionals and representatives of more than 250 stakeholder organisations who supported the Future Forum and the listening exercise and attended some 250 events across the country. That forum and those people represented the views of the professionals who will implement and deliver the changes, and we accepted all their core recommendations. We brought the Bill back to Committee—the first such Bill since 2003—and we have continued to listen and respond positively. The Bill is better and stronger as a result.

Mr Cash: Will my right hon. Friend give way?

Mr Lansley: No.

At the heart of the changes is support for clinical leadership, which has always been key in putting health professionals, and not only managers, at the heart of decision making in the NHS. That was why we strengthened the Bill to ensure that all relevant health professionals would be involved in the design and commissioning of services at every level and in the leadership of clinical commissioning groups. They will also be brought together through clinical networks on specific conditions and services, as they often are now, such as in the case of cancer networks. They will be brought together in broad geographic areas, through new clinical senates, to look across services and advise.

The Bill was strong in transparency and openness from the outset, and that now flows through every aspect of modernisation. Indeed, the Future Forum is taking forward another of our central principles of reform, which is to develop high-quality and integrated services. Properly integrated services are essential for the quality of individual care and for the most efficient operation of the NHS. That was why we proposed health and wellbeing boards, to bring together all the people who are crucial to improving health across an area and having a real impact on the causes of ill health. We can bear down on the inequalities in health that widened under the previous Government.

The Bill now makes our commitment to integration explicit. Clinical commissioning groups will have a duty to promote integrated health and social care based around the needs of their users, and we will encourage greater integration with social care by ensuring that CCG boundaries do not cross those of local authorities without a clear rationale.

The Bill has deserved the attention and passion that it has attracted, and which I am sure it will continue to attract. I thank all Members who have taken part in the scrutiny of it on Second Reading, in Committee, on recommittal and during the past two days. I especially thank my ministerial colleagues, who have steered the debates and led the preparation of and speaking on the Bill. I thank all colleagues throughout the House who have contributed, especially many of my colleagues who I know have given an enormous amount of time, energy and hard work to supporting the Bill. I also thank the Whips.

I thank the Officers of the House and, especially on this occasion, my departmental officials who have responded tirelessly not only to our requests for information and advice but to those of many hon. Members and thousands of people across the country and in stakeholder organisations.

The intensity of debate and the brightness of the spotlight shone upon the Bill have made it a better Bill than when it was first laid before the House. I believe that it will set the NHS in England on a path of excellence, with empowered patients, clinical leadership and a relentless focus on quality. Let us look at what we have already achieved as a Government: more investment in the NHS, higher quality despite increased demand, waiting times remaining low, MRSA at the lowest level ever, mixed-sex accommodation breaches plummeting, and thousands more people getting access to cancer drugs. The Bill will pave the way for even more progress towards the world-class NHS that patients want, which will be able to deliver results that are truly among the best in the world. I commend it to the House.

6.39 pm

John Healey (Wentworth and Dearne) (Lab): This Government and this Bill are giving health reform a bad name. The Bill is unwanted and unnecessary. It is reckless to force through the biggest reorganisation in NHS history at the same time as finances are tight and pressures on the health service are growing. The big quality and efficiency challenges that the NHS must meet, and the changes that the NHS must make for the future, will be made harder and not easier because of the Bill.

I thank my shadow ministerial team, who have done such a sterling job. I also thank my Back-Bench colleagues who served on not just one, but two Public Bill Committees, and all my Back-Bench colleagues who have given such strong support to the Opposition in the House.

I should also pay tribute, if I may, to the stamina of the ministerial team, but I say this to them: we will not let up now, because in 13 years of Labour reform and investment, people saw huge improvements in the NHS, the lowest ever waiting times, and the highest ever patient satisfaction; but in this the first year of this Tory-Lib Dem Government, people have instead seen the NHS starting to go backwards. They have seen the Prime Minister breaking the very personal promise that he gave at the election to protect the NHS. As we heard at Prime Minister's questions today, he and his team are in denial about the damage that his Government are doing to the NHS and the scale of criticism and opposition to it.

The Prime Minister's pause to listen was supposed to have won back public support and confidence among NHS staff. He failed. It is true that changes have been made to the Bill, but they make the NHS plans more complex, more costly and more confused. Millions of pounds will be wasted on new bureaucracy when it could and should be spent on patient care.

As the House is asked to approve the Bill on Third Reading tonight, the essential elements of the Tory long-term plans to see the NHS broken up as a national public service, and set up as a full-scale market, are still in place. First, on the market, a new regulator will enforce competition law on the NHS for the first time, and it will have the power to fine hospitals 10% of their turnover for working together. The Office of Fair Trading will oversee mergers if a hospital's turnover tops £70 million. There will be no cap on the number of private patients that are treated in our NHS hospitals as NHS patients wait longer. That means more legal challenges from competition lawyers, more privatisation and the closure of NHS services and hospitals. It means that much of the planning, collaboration and integration that is at the heart of the best of our NHS today will be very much harder, and perhaps illegal, in future.

Secondly, the Bill betrays a founding principle of the NHS. For 65 years, people have known that the Secretary of State and the Government whom they elect are responsible for the definition and provision of a comprehensive health service. The Bill passes that power to at least 250 local commissioning groups and stops the Secretary of State directing them as to the services that they must provide for patients. It makes the Government unaccountable for what health services are provided and unable to guarantee patients a universal service. It is a fundamental and founding principle that

[John Healey]

our NHS is a national service, equally there for all, whoever we are, wherever we live. This Bill takes the "national" out of the national health service.

In January on Second Reading, I said of the Government's NHS plans that the more people learn about them, the less they like them. That was true then and it is true now, despite the many changes to the legislation. These are the wrong reforms at the wrong time, driven by the wrong ideology. Labour will continue to lead the challenge against these plans in the other place, and we will oppose this Bill tonight on Third Reading.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. As Members will see, we have only a very short time before I put the Question, so could they please be very pithy and short in their contributions in order to get as many Members in as possible?

6.45 pm

Dr Wollaston: The hon. Member for Bethnal Green and Bow (Rushanara Ali) spoke of health inequalities in her constituency. Perhaps she should look at the King's Fund's annual review of NHS performance between 1997 and 2010, which

"identified the lack of progress in reducing health inequalities as the most significant health policy failure of the last decade."

Opposition Members should bear that in mind when they talk of a two-tier health service, because they fail to focus on outcomes and they fail to focus on inequalities.

I welcome the duty of the Secretary of State, the NHS commissioning board and clinical commissioning groups to have regard to reducing health inequalities. Let us see something done about that scandal. I also welcome the work of the NHS Future Forum in setting out the central dilemma surrounding the role of the Secretary of State. The NHS should be freed from day-to-day political interference, but it must also be clear that the Secretary of State retains ultimate responsibility.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Will the hon. Lady give way?

Dr Wollaston: I will not, because so many Members are waiting to speak.

There has been real scaremongering about, in particular, the difference between the duty to provide and the duty to secure provision, but I believe that the wording simply reflects the reality. The key issue is the line between the ability to step in if things go wrong, and the very real need for politicians to step back and let clinicians and patients take control.

I shall cut my speech short because I have been asked to be brief, but let me end by saying that, for three clear reasons, I would not be supporting the Bill if I thought that it would lead to the privatisation of the NHS. [Hon. Members: "Have you read it?"] I assure Members that I have read it in great detail.

Let me give those three clear reasons. First, clinicians will be in charge of commissioning. Secondly, the public will be able to see what clinicians are doing. Thirdly, neither clinicians nor the public will allow privatisation to happen. They do not want it to happen, and neither do Members of this House.

PCTs and foundation trusts did not meet in public, but they will do so in future, and it is the public and patients who will ensure that the NHS is safe in the hands of the Conservatives and the Liberal Democrats.

Mr Deputy Speaker (Mr Nigel Evans): That is the length of speech that we like.

6.47 pm

Rosie Cooper: I fear that for all the listening, the work of the Future Forum, the concerns voiced by health professionals and our constituents who rely on the health service, and the two days of debate in this place, we have ended up on Third Reading with something that is not substantively different from the original idea. Although it is three times longer than the National Health Service 1946 Act, which created the NHS, the Bill before us leaves us with more questions than answers. I suspect that that will remain the case for some time, as the Government have indicated that more amendments will be tabled.

It is astonishing that we have progressed from a Bill that was never meant to be, because the Conservative party had promised no top-down changes to the NHS, to the Conservatives' having a supposedly well-thought-out plan—which required a pause because of the sheer scale of the public's and medical professions' opposition—and then to the Bill that we have today, which needs more amendments. Sadly, the changes are not substantive enough. The Minister told us yesterday that 715 of the 1,000 amendments were intended merely to change the words "commissioning consortia" to "clinical commissioning groups". I believe that the public, clinicians and those of us who could see right through the Bill were looking for something more substantive when the Government stopped to pause and promised to listen to people's concerns.

The Health and Social Care Bill that we now have is still as confused and muddled as on the day it was first brought before the House. I expect that Ministers hoped to confuse and bore people into submission. Disgracefully, the Government began to change the NHS structures without the consent of the people even before they produced the Bill, and they continue to do so even though it has not passed through this House or proceeded to the other place—where it is to be hoped that it will receive the thorough and tough consideration that we should have had the time to give it here.

What we have is a Bill that is high on autonomy and low on accountability. It is supposed to be built on the principles of efficiency, reducing bureaucracy and cutting out waste, yet I do not believe it achieves any of them. In fact, in practice it does the opposite. The Bill will leave us with an organisational malaise, as the number of bodies and organisations significantly increases, with the relationship between them all being complex and incoherent and severely lacking in detail and accountability. The Bill leaves us with a financial challenge that has never been achieved in any health economy anywhere in the world at the same time as removing great swathes of the people with the experience and skills to deliver this outcome. The Secretary of State said that he admired NHS employees. If that is so, why have his policies led to so many of them losing their jobs?

The Bill will leave the NHS open to European competition regulation, all of which will be overseen by an economic regulator enforcing competition who appears to think the system can be based on an outdated and failing regulatory model like that of the utilities sector, and whose accountability to Parliament and the Secretary of State is unclear. Ultimately, I believe the Bill has been driven forward as an ideological exercise, rather than through a desire to improve the quality of health care available to the people of this country. The Government could have achieved the changes they said they wanted without all this structural mayhem, such as by reducing the number of primary care trusts, changing the make-up of the boards and putting clinicians firmly in the driving seat, but perhaps that was not macho enough.

This evening, the Government are in serious danger of consigning to the bin 13 years of progress, in which patients were being treated within four hours in accident and emergency and were guaranteed an operation with 18 weeks. Tonight, I genuinely fear that the Bill before us will be the equivalent not of throwing a grenade into the NHS, but of pushing the button on the nuclear option: a completely disproportionate response to the challenges facing the NHS.

In my speech on Report, I referred to the former NHS employee Roy Lilley and his blog. Today, he takes a quote from Mary Anne Evans, otherwise known as the novelist George Eliot:

"It is never too late to be who you might have been."

I therefore urge the Liberal Democrat Members of this House to consider whether they genuinely believe this Bill will deliver a better, more caring and more patient-led NHS.

Earlier in the debate there were suggestions of scaremongering, so let me be clear: I am not scared; I am terrified—terrified that this Conservative Government will kill off the NHS, a system of health care that is envied throughout the world and that is being threatened for the sake of ideology. I am not scaremongering when I say that if this Government destroy the NHS, they will never be forgiven.

6.53 pm

Nicky Morgan: In yesterday's debate the right hon. Member for Holborn and St Pancras (Frank Dobson) said of the NHS that he believed that in most parts of the country and most of the time it does a good job for people, but I want to see it doing an excellent job for people in all parts of the country all the time, and that is what this Bill will achieve. Having served on the Bill Committee, it is a great sadness to me that that message, and the fact that patients will be at the heart of the NHS, has been lost in the months of scaremongering—a word used by the last speaker—and wrangling by those who have campaigned against it and have obscured all such messages. That has been totally unfair to the patients who rely on the NHS.

I briefly want to make two points. First, Members who served on the Committee will know of my passion for getting the right treatment for mental health patients, and at a meeting of the all-party group on mental health yesterday the Bill was described by GPs as a great opportunity: an opportunity for the integration of primary and secondary care—something they have not had before, and that will now be achieved.

Secondly, as my hon. Friend the Member for Totnes (Dr Wollaston) said, the Bill puts clinicians at the heart of commissioning. When the Bill was recommitted, my researcher said to me, "This Bill is a gift that keeps on giving." Now it is time for this present to be handed over to the other place, but it needs to reach the statute book and we need to implement it on the ground. I have heard nothing from the Opposition in the past eight months to convince me that this Bill should not receive its Third Reading and get on to the statute book, and I urge all hon. Members to support it.

Mr Deputy Speaker (Mr Nigel Evans): I am grateful for that short speech. I ask for another short speech from Kevin Barron.

6.55 pm

Mr Barron: I have been a Member of this House for 28 years and I have been active in different parts of health policy for many years, and I have never seen any Bill—not just any health Bill—come to this House so ill-prepared to be put on to the statute book. I served during the two stages of the Public Bill Committee. Largely, I asked questions where I wanted explanations, but I got very few answers. As was said earlier today, part 3 remains in this Bill and its 97 clauses bring in economic regulation. Only nine of those clauses have been amended since the Future Forum met and said that we were in deep trouble with this.

What did the Future Forum ask for? It recommended that Monitor's powers should

"promote choice, collaboration and integration."

Monitor's powers have changed somewhat, but the major change that occurred during the second part of the Committee stage was that the Government took away Monitor's power to promote competition and gave it a new power to prevent anti-competitive behaviour. Perhaps, at some stage, somebody will be able to tell me what that means. Perhaps somebody will also be able to tell me the answer to something I asked in the first sitting of the Public Bill Committee: what do the Competition Commission and the Office of Fair Trading have to do with the mergers of two NHS trusts? The relevant Minister said at the time that that was a good question, but I have not heard it answered since.

I must say, with all due respect, that no Labour Member argued that the NHS is perfect, nor would I do so. But this Bill is a dog's dinner. The national health service and the nation do not deserve it, and I will vote against it tonight.

6.57 pm

Mr Stephen Dorrell (Charnwood) (Con): Like my hon. Friend the Member for Totnes (Dr Wollaston), I would vote against the Bill if I thought that it was going to promote the privatisation of the NHS. One thing that this Bill has in common with every health Bill I have debated in 21 years is that its opponents claim that it is about privatisation, but it is about nothing of the kind.

As the Secretary of State made clear, this is a different Bill, in some important respects, from the Bill that was first presented. First, the Bill introduces a statutory duty to promote the integration of health and social care—Labour Ministers talked about that but never

[Mr Stephen Dorrell]

delivered it. Secondly, the Bill introduces new safeguards against cherry-picking by private sector providers—Labour Members say they were against cherry-picking but they never introduced such safeguards. Thirdly, the Bill introduces new safeguards in respect of the continuity of essential services provided by private providers, who were introduced by Labour into the delivery of health and social care—such safeguards were never provided by Labour. Fourthly, the Bill makes real a commitment to the introduction of the clinical leadership of commissioning—Labour talked about that in office but never in reality delivered it. So this is a Bill that has been changed and improved as it has gone through the parliamentary process.

Let us not belittle the extent to which the Bill actually builds upon the same policies that were pursued by Labour in government: a policy of the extension of commissioning to act on behalf of the patient and the taxpayer; a policy to promote the development of foundation trusts as the best way of delivering care. This Bill takes 20 years of consistent development of policy and converts the words of Labour Ministers into reality. That is why I support its Third Reading tonight.

6.59 pm

Mr Michael Meacher (Oldham West and Royton) (Lab): Extremely briefly, I want to put on record my view that the Government's handling of this Bill has been a monumental abuse of the principles of accountability in this House. It was sprung on an unsuspecting nation after an election in which there was no mention whatsoever of these proposals, after an air-brushed Cameron advert said, "I will cut the deficit, not the NHS." Despite those misleading signals, there has been no commission of inquiry to examine its philosophy or ideology, no proposal to pilot it—

7 pm

Debate interrupted (Programme Order, 6 September).

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E). That the Bill be now read the Third time.

The House divided: Ayes 316, Noes 251.

Division No. 342] **[7 pm**

AYES

Adams, Nigel
Afriyie, Adam
Alexander, rh Danny
Amess, Mr David
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Cameron, rh Mr David
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim

Luff, Peter
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, rh Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Shailesh Vara and Mark Hunter

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elliman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
George, Andrew
Gilbert, Stephen
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Hunt, Tristram
Huppert, Dr Julian
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian

Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Mulholland, Greg
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sanders, Mr Adrian
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Phil Wilson and Angela Smith

Question accordingly agreed to.
Bill read the Third time and passed.

Access to a Lawyer

7.14 pm

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I beg to move,

That this House takes note of European Union Document No. 11497/11 and Addenda 1 and 2 relating to the Draft Directive of the European Parliament and of the Council on the right of access to a lawyer in criminal proceedings and on the right to communicate upon arrest; and supports the Government's recommendation not to opt into the Directive in accordance with Protocol (No. 21) on the position of the United Kingdom and Ireland in respect of the Area of Freedom, Security and Justice to the Treaty on European Union and the Treaty on the Functioning of the European Union.

I commend the European Scrutiny Committee for calling this debate. As set out in the coalition agreement, the Government approach criminal justice legislation case by case, with a view to maximising our country's security, protecting Britain's civil liberties and preserving the integrity of our criminal justice system. The Government recommend that the UK should not opt into this proposed measure at the start of negotiations, not because we do not think that minimum standards of defence rights, including access to a lawyer, and the right to communicate on arrest, including with consular authorities, are important—of course, we do—and not because we disagree in principle with the setting of common, minimum standards across the EU in respect of certain aspects of criminal proceedings. On the contrary, we see the benefit of appropriate minimum standards. For that reason, the UK opted into the first two measures on the procedural rights road map on interpretation and translation and the right to information in criminal proceedings. We are not making this recommendation because we fear that our law does not meet the minimum standards required by the European convention on human rights—it does.

The reason we do not propose to opt into this measure at the outset of negotiations is that we think that the directive as published by the Commission would have an adverse effect on our ability to investigate and prosecute offences effectively. It is important that action is taken to ensure that the standards of procedural rights across the EU are adequate. That is necessary for two reasons: first, to ensure that, as people travel through the EU, they can be confident that in the event that they are unfortunate enough to become subject to the criminal justice system of another member state, they will be dealt with fairly and in accordance with robust minimum standards; and, secondly, the EU has chosen to develop a series of mutual recognition measures designed to promote security by helping to combat crime and ensuring that suspected offenders cannot use European borders as a way to escape justice.

Mr William Cash (Stone) (Con): The Minister has twice used the words, "at the outset of proceedings". Being something of an old hand at this sort of thing, I wonder whether that means that he proposes to opt in later. Perhaps he will bear in mind the problem that some other member states have judicial systems that are, quite frankly, below par.

Mr Djanogly: Indeed they do have systems that are below par, which is why we are keen for the measure to proceed across the EU. We will decide at a later date whether Britain opts in, subject to the negotiations that

will take place. If my hon. Friend listens to what I have to say a bit further, he will hear how we propose to look at that process.

This is a good, practical idea that has delivered some notable results, provided that it does not put suspects at risk of less-than-adequate criminal proceedings. Such instruments of mutual recognition were never intended to operate on their own. It was intended that they should be supported by a series of criminal procedural rights, enforceable at EU level, that would build on the rights already guaranteed by the ECHR and provide additional reassurance that the rights were being given practical effect in all member states. These standards will not only protect British nationals when they are arrested elsewhere in the EU but will provide greater trust and confidence among the courts of all EU states that judgments handed down, which they may be expected to recognise, have been made on the basis of sound procedural standards.

Standards of procedural rights are high in the UK. The right of access to a lawyer, both before and during police interview, has been provided in England and Wales and Northern Ireland since the mid 1980s. A similar right was provided for in Scotland last year. However, despite the fact that we see value in the Commission tabling such a measure, we have considerable concerns about the detail of the directive and the impact its drafting would have on the UK's criminal justice systems.

The procedural rights directives are intended to draw on the jurisprudence of the ECHR and to flesh out what those rights mean in practice. Certain provisions of the Commission's proposal, however, go far beyond the minimum standards that stem from the convention. While there is no problem in principle with going beyond the standards of the convention if there are good practical and policy reasons to do so, we do not see such reasons in this case. On the contrary, we think that there would be some quite adverse and costly impacts on the ability effectively to investigate and prosecute offenders were the Commission proposal to be adopted.

Examples of that include the fact that the directive as drafted by the Commission may require access to a lawyer to be provided in some stages in the investigatory process where currently a lawyer is not provided, such as at a police search of a property or where a person's fingerprints are taken when they are booked into a custody suite. We do not consider it necessary or proportionate to provide a lawyer in those situations.

In addition, the directive requires that a person should always be able to meet his lawyer face to face, whereas we provide, in some minor cases, for telephone access, which detained persons often prefer as it can mean that they are held for a shorter period as it is not necessary to wait for a lawyer.

Kelvin Hopkins (Luton North) (Lab): The Minister has covered the point that I want to make. We permit defendants to telephone for immediate advice from a lawyer. It is quick, cheap, easy and very accessible for defendants.

Mr Djanogly: The hon. Gentleman makes a good point. That is exactly the case, and if it is to be under threat we should be concerned.

The directive also requires absolute confidentiality of meetings and communications between a lawyer and a suspected or accused person. While confidentiality of such discussions is of course a fundamental principle, there are some limited circumstances in which confidentiality should not be guaranteed. The most obvious example is where the authorities have reason to believe that the meeting or correspondence is being abused to further criminal activity. In such circumstances, which are exceptional but none the less extremely serious, the communications ought not to be privileged and the authorities might need to monitor them.

We also believe that member states should be allowed to derogate from other rights set out in the directive, in certain exceptional circumstances. For example, it might not be appropriate to allow a person in custody to contact a particular individual if the police might have reason to believe that he will ask that person to conceal or destroy evidence. The ECHR case law has been clear that restrictions can be imposed on access to a lawyer for an accused person if there are compelling reasons to do so.

We do not think that the drafting allows enough discretion for judges to decide case by case whether evidence should be admissible if it has been obtained in breach of any of the rights set out in the directive.

Jim Shannon (Strangford) (DUP): In some of the documentation and information that Members received before the debate, there seemed to be a question about whether citizens of the United Kingdom would be disadvantaged with regard to the high level of legal representation that they have compared with that in the other 26 EU countries, which seem to have agreed on a method and the way forward. As a Member of the House, I would have to ensure that my constituents had that high level of legal representation, such that it was equal to that in the rest of the EU and that we were in no way disadvantaged.

Mr Djanogly: The straightforward answer is that if the other states were to go ahead with the directive and we did not opt in, British subjects travelling abroad would, I suppose, have the advantage of the minimum standards whereas other EU citizens would not have the benefits in this country. However, that is not the basis on which we are negotiating, because it would not be a good position from which to negotiate. That is the technical position.

The changes that the directive in its current drafting would require us to make to our domestic law would not only be unnecessary, but would be highly resource-intensive. Our initial analysis suggests that the directive as drafted by the Commission could cost upwards of approximately £32 million to £34 million per year. I stress that the UK is not alone in having these concerns about the directive. The early negotiations made it clear that our concerns are shared by a good many other member states. The incumbent Polish presidency is taking a sensible and pragmatic approach to negotiations, and we can expect that the final product may be very different from the text we are looking at now and that many of the concerns that we have highlighted will be dealt with.

Because of that, and because of the value we attach to ensuring fair trial rights across the EU, we intend to work very closely with other EU partners to develop a

[Mr Djanogly]

text that takes greater account of the practical realities of investigation and prosecution and allows for greater flexibility in meeting the requirements of ECHR jurisprudence. Given the extent of our concerns with the current text, we cannot at this stage be entirely confident that all of them will be taken into account, and it is for that reason that we are seeking not to opt in at the outset. However—I say this to my hon. Friend the Member for Stone (Mr Cash) in direct reply to his question—if our concerns are taken into account in the process of negotiation, we will be able to consider opting in at a later stage, as our protocol allows. Given the importance that we attach to this dossier, that is something to which we will give serious thought.

Mr James Clappison (Hertsmere) (Con): My hon. Friend is setting out the situation with great care and extremely competently. If we were to take the decision to opt into the directive, would we then be subject to the European Court of Justice's jurisdiction in respect of what he described as very wide ranging matters to which we had opted in?

Mr Djanogly: The European Court of Justice has jurisdiction in determining how European law is to be applied, but it is not an appeal court so it would not constitute any type of court of appeal.

I look forward to hearing the views of hon. Members on this recommendation and I commend the motion to the House.

7.27 pm

Mr Andy Slaughter (Hammersmith) (Lab): As the Minister says, the directive forms part of a defence rights road map agreed by the European Council in 2009 that aims for greater harmonisation of fundamental tenets of the criminal law. We have opted in and supported the previous two limbs of that. The current proposals concern principally the right to access to a lawyer on arrest, the right to have someone notified on arrest, and the right to communicate with a third party on arrest. As such—I do not think the Minister resiled from this—it articulates what most British people would consider not only uncontroversial but essential civil liberties. Since 2009 the EC has sought to harmonise these rights across Europe. I think the Government welcome that.

Notwithstanding the points the Minister made, which I shall come to in a moment, it is difficult to see why the Government oppose the proposal as far as this country alone is concerned, at least for the present. If introduced, it would give us confidence that members of the British public would be subject to due process when overseas. According to the Foreign and Commonwealth Office website, more than 19 million British nationals travel to France every year, 13 million to Spain, 4 million to Italy and 2 million to Greece. Hundreds of them will, sadly, end up being arrested for a criminal offence. In Spain more than 2,000 Britons a year are arrested for criminal offences.

As the Minister said, Europe is not a homogenous legal environment and not all justice systems operate in the same way or to the same standards. I am grateful for the briefing that Fair Trials International provided for the debate. The organisation helps to ensure a fair trial for anyone facing charges in a country not their own. In its research it highlights some notable examples. I shall not spend a great deal of time on that, as it would take up the time of other Members who wish to speak.

Some of the cases are familiar, such as that of Garry Mann, a 51-year-old fireman and football fan who was arrested in Portugal, allowed to leave the country, subsequently arrested on an arrest warrant and imprisoned for two years. It was a case of mistaken identity and on arrest he did not have the benefit of a knowledge of Portuguese law, which would have allowed him a stay.

Another case is that of Edmond Arapi, who was convicted in absentia of committing a murder in Italy at a time when he was working in the UK. It got to the point where he was about to be extradited and imprisoned for a term of 16 years. Had legal advice been available to him at the time of his arrest, it would have become apparent much earlier that this was a clear case of mistaken identity.

Mr Cash: I am reasonably familiar with the Arapi case because it took place in Staffordshire, not far from my constituency. Of course, the real mischief was the arrest warrant itself. There was no reason whatsoever why that man was dealt with in that way. I think that it is absolutely futile to attempt to argue the case on access to lawyers on the basis of the complete failure of the arrest warrant system.

Mr Slaughter: The hon. Gentleman makes part of my point for me. There are concerns about the operation of the European arrest warrant, but that is one of the reasons we wish to see the provision of good-quality legal advice and access to lawyers throughout the European Union. He might have his own solution on our relations with Europe, probably a rather more fundamental one than mine or the Minister's, but we are where we are and it is therefore important that these safeguards exist.

I was going to mention a third case, that of John Packwood. There are unfortunately a large number of such cases, but those are the three famous ones that have featured heavily in the UK press, particularly the *Daily Mail*, which has championed many of the cases in which the most perverse decisions have been made in foreign jurisdictions. For the people involved and their families, the experience was a nightmare. They were in a foreign country trying to communicate with officials who spoke an unfamiliar language and subject to procedures that were often summary and perverse, and yet they had no knowledge or advice with which to challenge them. It should be a matter of concern to the Government to protect our citizens overseas and ensure that they are given the same consideration as we would grant citizens of other countries visiting Britain, and that they are given the opportunity to do so and, at least for the present, decline.

We should not be slow to see the high standards of justice that British people expect of our criminal justice system applied to other countries. The directive would assist that process. After all, it was the previous Conservative Government who enacted the Police and Criminal Evidence Act 1984, which provided a suspect in police custody with a statutory right to legal advice. Section 58 of the Act states that a person arrested and held in police custody is entitled to consult a solicitor privately at any time. The detention code provides that the consultation may be in person, in writing or by telephone and that

free and independent legal advice is available. Therefore, the decision not to opt in to a directive that has the same intention as those provisions seems strange, and I will move on to what the Minister says are the differences.

First, the directive's requirements are broadly in line with current UK legislation. Where there are divergences—the Minister mentioned one or two—they are negotiable. This is a process of ongoing negotiation, and in some cases they are subject to the requirements of national law. The example of searches, which the Minister gave, is one of those.

Secondly, the negotiations are continuing. As the Minister said, many other countries are concerned that there is inadequate room for derogation and are questioning aspects of the directive. It is therefore unlikely that it will remain in its current form. It seems pointless to send negotiating teams, as the Minister proposes, when we are the only country that intends to opt out at this stage, which fatally undermines the authority and leverage that this country will have. We appear to be throwing away an advantage to British citizens for reasons that are at best unconvincing and at worst spurious. Why have the Government taken this position? The Minister might have seen the briefing from JUSTICE, which takes the Government's points of objection and states that they are either points that can be negotiated, or points that the Government have got wrong. It looks as though the Government are looking for reasons to opt out at this stage.

Tomorrow, the Minister and I will meet again for the next Committee sitting of the Legal Aid, Sentencing and Punishment of Offenders Bill, and I look forward to that in Committee Room 12 at 9 o'clock. One of the first clauses that we will consider is clause 12, which gives the new director of legal aid casework and, by extension, the Lord Chancellor the power to decide who does and who does not get access to a lawyer in a police station—and to do so on the basis of an interests of justice test.

There has already been an outcry throughout the criminal justice system at that attack on a basic right, which was introduced to avoid the risk of a miscarriage of justice. PACE itself was in part a response to the appalling miscarriages of justice of the 1970s, but, in answer to the criticism that the Minister is taking on a power that will allow the state to regulate who does and who does not get advice in a police station, he says that he has absolutely no intention of taking away legal help from police stations, so why is he then arrogating to himself the power to do so?

Taken together with the premature decision tonight to opt out of the directive while negotiations continue and before any decision needs to be taken, clause 12 of that Bill suggests that the lessons that led to PACE are being forgotten by this Government.

May I ask the Minister three questions, which, if he replies at the end of the debate, he may wish to answer? First, why are the Government not going to do what they did with the earlier stages of the road map and continue negotiations before making a decision on opting out? Secondly, why are they opting out now when there is further time to negotiate? And, thirdly, can the Minister confirm that the Government are committed to the current system of access to counsel in a police station and do not intend to erode that right, and if so explain why they are pursuing clause 12?

The objections that the Government have raised are nugatory and susceptible to change, if there is any merit in them, whereas the advantages to British citizens abroad are clear and substantial. It is not good enough for the Minister to say that we can get all the benefits of the directive if it is enacted in 26 other countries, but that we do not need to bother with it ourselves. That sounds like a clear Eurosceptic "have your cake and eat it" voice from the Minister, and I am not sure that that is what he is saying, but it is a—*[Interruption.]* I am not sure that Government Members think that that is what he is saying, either, but it is a knee-jerk reaction to opt out at this stage.

Mr David Nuttall (Bury North) (Con): The hon. Gentleman has on a couple of occasions in the past couple of minutes referred to opting out of the directive, but we are not opting out, we are simply not opting in, and in fact there is a big difference, because if we opt in we will never be able to opt out.

Mr Slaughter: The hon. Gentleman makes my point for me. The Minister is at least open and clear about attempting to take the benefits. He wishes to do so, and in that I agree with him. Appalling miscarriages of justice occur regularly, and we want British citizens to be protected from that, but we cannot do so without engaging. We can negotiate what are for us as a country relatively minor changes, if changes at all are needed, but if we accept the experts who briefed Justice we find that the Government have misinterpreted those minor changes, to which the Minister alluded, in any event.

In the end, it comes down to this: do we wish seriously to see the proposals implemented, in which case we should be in the game and negotiating clearly, or do we wish to take the Government's somewhat disingenuous position tonight? For that reason, and notwithstanding the Minister saying that he may change his mind in due course, we will oppose the Government this evening.

7.38 pm

Tom Brake (Carshalton and Wallington) (LD): It is a pleasure and a relief to be called in the debate, partly because I gave relatively little notice of my intention to speak, and partly because I knew I would be coming immediately after the hon. Member for Hammersmith (Mr Slaughter). As other Members who serve on the Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee know, sometimes he gets carried away with his eloquence and might well have risked eating into the entire time allocated for this debate.

Obviously, I welcome the debate. As the Minister said, the new Commission proposal seeks to guarantee fair trial rights, providing access to a lawyer from the first stage of police questioning and throughout criminal proceedings by allowing adequate confidential meetings between the lawyer and the suspect; by allowing the lawyer to play an active role during interrogations and to check detention conditions by making sure that the suspect is able to communicate with at least one family member or employer; by allowing suspects abroad to contact their country's embassy or consulate and receive visits; and by offering people subject to a European arrest warrant the possibility of legal advice in both the country where the arrest is carried out and the one where it is issued. The draft directive acknowledges that the right to a lawyer is not absolute and allows some derogation.

[Tom Brake]

As the Minister said, the UK affords most of the protections offered in the new proposal in existing domestic law. However, as the hon. Member for Hammersmith pointed out, in many other EU countries there is clearly not such provision; he quoted from Fair Trials International, which listed the countries in which, unfortunately, many of the rights that we have here do not apply. That is clearly why it is arguing for the UK to opt in to the directive.

The Minister rightly set out the Government's concerns about the provisions, some of which are not consistent with our national law or practice. Some of the proposals have financial implications for the UK, when, as we know from our debates on legal aid, there are real pressures on budgets. However, it is important to point out that other member states share many of our concerns about the practical implications of the proposal and the ability of their criminal justice authorities to investigate and prosecute crimes.

In his letter, the Minister for Policing and Criminal Justice briefly set out the other issues about which the UK Government have concerns in respect of the impact on our legal system. I hope that the Government will pursue those matters because there can be no doubt that, as the Minister who is here today has acknowledged, the directive would benefit UK citizens abroad, many of whom have to put up with legal systems that are not comparable with ours. Equally, if the UK opted in, some aspects of the changes required might well be beneficial to other EU citizens who had to go through our own court system. I hope that there is an active engagement on these issues.

My final point is about whether the UK Government's approach is one of going in to win the battles around the differences and perhaps secure the possibility of opting in later, or whether we are going in to battle for a draw—to try to make some changes, but without the expectation that they would be sufficient to allow the UK to opt in. I hope that the Minister will be able to answer that point.

7.43 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I will not be long, Mr Deputy Speaker; I just want to put on the record my opposition to the motion. The Minister made great play of the fact that it does not contravene the European convention on human rights, and suggested that cost was a key consideration in not opting into the directive.

As I understand it from the legal opinion that I have heard, it is clear that the motion does conflict with article 6 of the convention and areas of PACE, as my hon. Friend the Member for Hammersmith (Mr Slaughter) has said. There have been a number of miscarriages of justice, such as the Garry Mann case; I understand that, because the directive was not in place, Mr Mann had only five minutes with his solicitor before he was convicted.

I turn briefly to the impact of cost. If cost came before the consideration of human rights we would be on a very slippery slope; that would not be a sign of a civilised society—the one that I recognise that we belong to. I have spoken tonight because I wanted to register my objection to the motion.

7.44 pm

Mr William Cash (Stone) (Con): The European Scrutiny Committee recommended this subject for a debate on the Floor of the House, in line with the written ministerial statement that all matters of this kind would be so debated when they

"have a substantial impact on the United Kingdom's criminal or civil law".—[*Official Report*, 20 January 2011; Vol. 521, c. 52WS.]

This is a very good starting point. However, I am somewhat disquieted by the extent to which the Minister has indicated—I hope that I am wrong, and that he will correct me if I am—that it is only a matter of time before, irrespective of the matters of principle that arise, we might end up opting in. I remind him that the whole process of the opting-in arrangements is based on a presumption against our opting in unless there are profoundly good reasons for doing so.

For the reasons that have already been touched on by the Minister and by the hon. Member for Hammersmith (Mr Slaughter), I believe that neither the difficulties that arise in relation to the application of arrest warrants nor the question of failures of justice in certain countries in the European Union may ever be sorted out. One need only look at a number of countries that came in by way of accession over the past few years. That went somewhat against the advice of the European Scrutiny Committee, and we had indicated beforehand that they had judicial systems that were so substantially below standard and riddled with corruption, with political judges and perverse procedures, that it was completely unacceptable that they should be allowed in. Access to a lawyer is obviously an important necessity, but whether one gets justice as a result of having such access when the courts themselves are corrupt is quite another story. That needs to be borne very much in mind.

We all believe that when citizens of the United Kingdom go abroad they should have access to a proper judicial system when they get there. Sometimes they are arrested, as in the case of some of the arrest warrants. We have heard reference to the Arapi case and one or two others. I have the greatest respect for Fair Trials International; its representatives have given evidence to the European Scrutiny Committee, and they have been very impressive. They have grave reservations about the arrest warrant and have said so. Where there is a serious problem in respect of the judicial system of a given member state, the fact that one has access to a lawyer may be only a minor mitigating factor.

Some time ago, before a lot of these laws were being put through, there was the case of the Greek plane spotters. Mr Arapi came from Staffordshire, and I noted what went on. My hon. Friend the Member for Staffordshire Moorlands (Karen Bradley) was instrumental in what happened. It was the subject of her first intervention in Prime Minister's questions, and the Prime Minister immediately seized on it. I had a little word with her beforehand and suggested that it might be a good idea if she raised it with him, because I was convinced that he would immediately take the appropriate action, and he did. However, it took the intervention of the Prime Minister to sort this out, not access to a lawyer or to the judicial system where this poor man was convicted and sentenced to 16 years for an offence that he could not possibly have committed. The entire procedure that led to his conviction was utterly, completely and incontestably absurd, futile and dangerous.

My concern is less about access to a lawyer and more about whether people get justice even when they have a lawyer. That might seem rather strange, but it is exactly the problem. I do think that being able to contact consular authorities is incredibly important. I would certainly go along with that.

We have heard a number of points from the Minister, and I will briefly mention them, so as to put this on the record as Chairman of the European Scrutiny Committee. The potential consequence of article 10.2 and 13.2—of fettering the ability of a trial judge to decide on a case-by-case basis whether evidence should be admissible if it is obtained in breach of the directive's provisions—is one problem. The other, as the Minister has indicated, is the financial implications of article 4, about providing a face-to-face meeting with one's lawyer. As the Minister said, it is suggested that the cost of providing that could be as much as £32 million to £34 million a year. Another problem is the precluding of the use of accredited representatives. Those are people who are trained to advise a suspect at a police station. Even though they are not qualified lawyers, they at least provide a degree of assistance.

There is also the issue of the European convention on human rights, about which it is well known that I am not wholly enthusiastic, to say the least. It would be far better if, having drafted the European convention on human rights, we had been aware that we are quite capable of passing legislation in our own country to protect people's human rights. The idea that I am not in favour of human rights, which the Home Secretary put to me the other day, is positively absurd. Of course I am in favour of human rights; I just want them to be real ones.

I am afraid that quite often artificial constructions are placed on the European convention on human rights, which have been criticised by some distinguished judges. The Lord Chief Justice himself said that the first duty of judges is not to apply Strasbourg decisions in the UK courts, but to protect the common law. A tremendous industry has been created since the 1990s, and the extent of human rights law has now reached astronomical proportions. It provides lawyers with a useful source of income without giving a proportionate degree of protection to those who seek human rights. Human rights could be provided for in Westminster if we passed our own legislation.

Another question is what effect an EU proposal would have if it failed to improve fair trial standards in our own criminal law. Even if it attempted to improve trial standards in other countries, what effect would it have on our criminal law? If the EU proposal had no effect it would become a lot easier to support it, with all the reservations that I have already expressed.

This afternoon, the Lord Chancellor gave evidence to the European Scrutiny Committee on the accession of the EU to the European convention. I assure hon. Members that he made it clear that that is a very, very long-term proposal, with huge degrees of negotiation yet to happen. Apart from that, there must be unanimity all the way down the line. He even ventured to suggest that it might not happen in his lifetime, or at any rate in his political lifetime.

We have to bear in mind the complexities that are being developed. The European convention, as it relates to the citizens of this country and others abroad, interwoven with the charter of fundamental rights under the Lisbon treaty, which of course we voted against but which the Government are now implementing, produces the curious result of a multiplicity of complex procedures all overlapping with one another. It is important that we bear that in mind, because it would have a bearing on cases such as those that we are discussing.

As I have said, given that we have tried and tested procedures, my preferred option would be not to opt in. I have grave reservations about the tsunami of opt-ins that we have been seeing.

Henry Smith (Crawley) (Con): Is not the fundamental problem with EU opt-ins that if we opt in there is no way back, so if our negotiation is not successful we are stuck with whatever is decided, but if we choose to opt out we are not part of the negotiations? That means that if we opt in at a later stage we get the worst of both worlds. That is a fundamental flaw of the European Union and the opt-in system.

Mr Cash: I very much agree with my hon. Friend, who is also on the Committee and witnesses these things at first hand. The Committee recommended this debate, and I am glad that it is taking place. It is not a token exercise, and I trust that the Minister understands that there are serious reservations about how the judicial system operates in other countries. Although we certainly believe that access to a lawyer and to consular authorities is a good idea, we do not have to have the Lisbon treaty, the European Union or an opt-in procedure under those arrangements to provide for access to the courts or to secure protection for those who need it.

7.57 pm

Mr David Nuttall (Bury North) (Con): I add my thanks to the European Scrutiny Committee and my hon. Friend the Member for Stone (Mr Cash) for ensuring that we are having another of our regular Wednesday evening debates on European matters. I am also pleased to say that for once I can support the Government's present position on this issue, although I have to say that I am a little concerned that I might not be so readily able to support what might come in future.

When any of our constituents travel abroad, they do so in the full knowledge that they are entering a foreign country with foreign systems. It seems to me that the fact that there are inadequacies in some of the legal systems of other European Union member states is not a good reason to accept another dollop of European legislation.

I have heard no one suggest that our own procedures and legal systems in this country are not up to scratch. In fact, as far as I can see, it is a case of the rest of the Europe catching up with the systems and procedures that we already have in place. Of course, if we were ever to opt into the directive, we would have to change some of our existing procedures that have served us well. In my short time in the House, I have never had anybody complain to me about the procedures that we have in place in respect of access to a lawyer, the right to consult a lawyer when detained or any of our pre-charge procedures.

Mr Nigel Dodds (Belfast North) (DUP): Whatever one's view of the current procedures within the UK, surely it is for the House and the UK to decide whether

[Mr Nigel Dodds]

there are to be changes, on the basis of the arguments, which should be fully explored and discussed beforehand, rather than changes coming about as the by-product of a European directive. That is the problem if there are to be changes in the UK system.

Mr Nuttall: The right hon. Gentleman makes an extremely valid point. I would have made the same point later, but I shall make it now. I have heard no complaints about our current procedures, but if there were a general acceptance that an aspect of them could be improved, it would be for the House to pass legislation to do so. We would then have the right to tinker with and change them as we wished. Indeed, we have done so. Only very recently, a Delegated Legislation Committee on which I sat altered the rules under the Police and Criminal Evidence Act 1984, because this House thought it appropriate to do so.

Mr James Clappison (Hertsmere) (Con): My hon. Friend is making an important point in response to the one made by the right hon. Member for Belfast North (Mr Dodds). Has my hon. Friend turned his mind to the bigger picture? These opt-ins do not come before the House by accident or by way of judicious fine-tuning of our system. This measure is part of a political project that was put in place by the EU to create a European area of freedom, security and justice, whereby rules and laws on criminal procedures and other criminal matters will be made at the EU level rather than in this House, and whereby our law will be subject to that law.

Mr Nuttall: My hon. Friend makes another extremely valid point. Whenever I have discussions on European matters with constituents and other members of the public—not surprisingly, I have such discussions fairly frequently—time and again they refer to the fact that they are dissatisfied with our membership of the EU because they believed that the EU was to do with business and trade. They believe that the EU should have no part in justice or home affairs. When we entered the EU all those decades ago, it was never envisaged that the EU would play a part in justice and home affairs. That is one reason why I will continue to push for a referendum. Such things may have been in the minds of those who were pushing for the European project, but they were never in the minds of our electorate. They were never told about that and it was not part of their consideration when they went to vote back in the 1970s.

Mr Cash: May I remind my hon. Friend that the Conservative party, for the first time since 1972, was completely united in opposing the implementation of the Lisbon treaty? Only as a result of entering into the coalition agreement did we end up having to accede to many of the provisions that result from the introduction of a treaty that we were previously united in opposing.

Mr Nuttall: My hon. Friend makes an excellent point. That is one reason why opposition to our membership of the EU is growing in this country. As I often say to people, in many ways every directive that passes is another nail in the argument of those who will one day argue in a referendum—I believe we will eventually have one—that we should stay in the EU. People are increasingly fed up with the ever-growing competences of the EU. It is all very well to argue that the European Union Act 2011 will put an end to all these things, but we can see—day by day, week by week, month by month—that slivers of competence are going to Europe, and this would be another of those slivers. If the directive were adopted, it would be a classic example of this country's handing over a further tiny piece of its competence. It might be only a sliver, but this is still a matter of sovereignty. At present, we can decide what our rules are.

Jacob Rees-Mogg (North East Somerset) (Con): Is this not also a classic example of the European ratchet? First the European arrest warrant allows British subjects going about their lawful business in their own country to be arrested by foreign Governments; then it is decided that there must be basic standards to protect them from such action, because that is only fair and proper; and that then leads to the conclusion that there must be more harmonisation of the criminal law across Europe. In fact, what Her Majesty's Government should be doing is not just not opting into this, but getting out of all the other measures to which they have agreed.

Mr Nuttall: My hon. Friend has made an excellent point, which I am sure would find widespread support outside the House. Far too much legislation from Europe is already foisted on our constituents, and we certainly do not need this as well. It is, in my view, an example of a solution looking for a problem. There is certainly no great clamour for it. When our constituents go abroad, they may well choose to go to Europe—there are, after all, another 26 countries in the European Union—but they may equally choose to visit any of the other 170-odd countries in the world, where none of this would apply. What do they do then?

We ought to consider speaking—quietly and diplomatically, of course—to plenty of other countries which have judicial systems that are far less helpful to the accused than any that might be found in the European Union. This is, I submit, a criminals' charter. If it were to become law, the criminals and their lawyers would not only have to comply with the Police and Criminal Evidence Act 1984, but would have recourse to this directive as well as the European Rights Act 1998 and the European convention on human rights. It would be yet another hurdle for our police to surmount in dealing with crime and disorder on our streets, and, in my opinion, a problem that we could well do without.

The other group of people who would profit from the directive are the lawyers, particularly legal aid lawyers. As has already been mentioned this evening, it has been suggested that advice be given face to face. I know from my own experience many years ago that when a suspect is arrested, advice is given quite adequately on the telephone, and I see no reason to change that arrangement. Again, there has been no clamour for it to be changed. I see no reason why this country should have to change its practices and procedures purely on the basis of this directive. It may well benefit other countries—indeed, it may well benefit some of our constituents when they travel abroad—but I feel strongly that there is no need for it to be adopted now or at any time in the future. I hope that even when the negotiations have been completed, this will be the last that we hear of it, and that we shall never see it back on the Floor of the House again.

8.9 pm

Mr Djanogly: This has been a constructive debate, and it has provided a timely opportunity to place the Government's position on the record. Let me reconfirm, not least for my hon. Friends the Member for Stone (Mr Cash) and for Bury North (Mr Nuttall), that we believe it is important that action is taken to ensure that the standards of criminal procedural rights across the EU are adequate—I stress the word "adequate". That will help to ensure that British nationals in other member states receive the rights that underpin a fair trial. It will also help to provide the level of mutual trust necessary to support European legal instruments that require competent authorities to accept and act upon decisions or judgments given in other member states.

The Government see clear benefit in setting minimum standards across the EU in respect of certain aspects of criminal procedure. As many Members have noted, standards of criminal procedure in relation to access to a lawyer and the right to communicate upon arrest are high in the UK. We see benefit in an effective and workable directive which would raise standards in this area.

The Opposition spokesman, the hon. Member for Hammersmith (Mr Slaughter), asked a number of questions. He asked why the UK had opted in to the previous two directives on the procedural rights road map, but not this one. The Government believe it is important that action is taken to ensure that the standards of criminal procedural rights across the EU are adequate. The previous Government opted in to the directive on interpretation and translation in criminal proceedings, and this Government opted in to the victims directive. The hon. Gentleman asked why we opted in to that directive, but not this one as well. The Government have decided to opt in to the victims directive establishing minimum standards for the rights, support and protections of victims of crime because it meets the criteria set out in the coalition agreement with regard to EU justice and home affairs measures and is more in line with existing UK practice. I can confirm to the hon. Gentleman that we currently intend to retain free legal advice in police stations, as I have said publicly in the past, and he will hear more on that in Committee tomorrow.

The hon. Gentleman and my hon. Friend the Member for Stone mentioned individual examples of process, on which the Government cannot comment. However, I noted the disappointment of the hon. Gentleman and the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) about the fact that we do not intend to opt in at the outset.

I also understand the disappointment of Members who have set out the difficulties faced by constituents who have faced trial in certain other EU member states. However, the directive as published by the Commission goes very much beyond what we see as the minimum standards of the European convention on human rights and would have an adverse and exceptionally costly impact on our ability to investigate and prosecute offences effectively. We do not think it would be sensible to opt in to the directive at this stage because it is not possible to be completely confident that all these difficulties could be mitigated through negotiation.

I thank my right hon. Friend the Member for Carshalton and Wallington (Tom Brake) for his supportive remarks, and I can confirm that we intend to negotiate and win on our positions. In order to do so, we intend to work very closely with our European partners—that work is already under way—to develop a text that takes greater account of the practical realities of criminal investigations and prosecutions. We are not alone in our concerns, and we are optimistic that the directive that is finally adopted might look rather different from that published by the Commission.

Our aim during negotiations will be to amend the text constructively, so that the UK might be in a position to contemplate participating in the final directive, and we have three months from the proposal in which to opt in. We can be part of the negotiations if we do not opt in, but we would not have a vote, so we intend to participate in, and influence, negotiations to make the directive better. We would opt in post-adoption only if our criteria were met, and following appropriate consultation in Parliament. I can confirm to my hon. Friend the Member for Stone that there is no inevitability to opting in, and I understand many of the concerns he raised. At the same time, I have to tell him that there is no presumption against opting in unless there are profound reasons for doing so, such as he suggested.

Mr Clappison: If the decision is taken to opt in—which I would regret, for reasons I have explained—I hope it will be made clear that our Government are opting in to a major piece of criminal justice legislation and choosing to hand over to the EU and the European Court of Justice jurisdiction over a wide swathe of our criminal procedure.

Mr Djanogly: We will still have jurisdiction over criminal procedure, and subsidiarity would apply as well, but my hon. Friend makes his point.

Any decision to opt in at a future date will be taken on the basis that the Government approach legislation in the area of criminal justice on a case-by-case basis, with a view to maximising our country's security, protecting Britain's civil liberties and preserving the integrity of our criminal justice system. Any decision to opt in at a future date would also be subject to scrutiny in Parliament.

Question put.

The Deputy Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 14 September (Standing Order No. 41A).

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

TERMS AND CONDITIONS OF EMPLOYMENT

That the draft National Minimum Wage (Amendment) (No. 2) Regulations 2011, which were laid before this House on 20 June, be approved.—*(Norman Lamb.)*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)),

A NEW RESPONSE TO A CHANGING NEIGHBOURHOOD

That this House takes note of European Union Document No. 10794/11, relating to a new response to a changing neighbourhood, and Addenda 1-16, detailing the results and recommendations of the Commission's review of the European Neighbourhood Policy

and a report on implementation of the European Neighbourhood Policy during 2010; and supports the Government's approach as set out in the Explanatory Memorandum submitted by the FCO dated 3 June 2011.—*(Norman Lamb.)*

Question agreed to.

DELEGATED LEGISLATION (COMMITTEES)

Motion made,

That the Motions in the name of Sir George Young relating to the Electoral Commission and the Local Government Boundary Commission for England shall be treated as if they related to instruments subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees) in respect of which notice has been given that the instruments be approved.—*(Norman Lamb.)*

Hon. Members: Object.

PETITION

Leacroft Surgery (Crawley)

8.16 pm

Henry Smith (Crawley) (Con): I am very grateful to have the opportunity to present a petition on behalf of many of my constituents.

The petition states:

The Petition of residents of Crawley,

Declares that the Petitioners are concerned by the current proposals to close a general practitioner's surgery in the Crawley Borough Ward of West Green.

The Petitioners therefore request that the House of Commons urges the Government to take all possible action to ensure that Leacroft surgery is able to maintain health service provision in the area.

And the Petitioners remain, etc.

[P000953]

Future of the BBC

Motion made, and Question proposed, That this House do now adjourn.—*(Norman Lamb.)*

8.17 pm

Mr David Amess (Southend West) (Con): It was a childhood ambition of mine, at the age of 11, to become a Member of Parliament, and I was fortunate enough to be elected in 1983. I remember, as if it were yesterday, first arriving here and being told that this is the mother of Parliaments, that we are sovereign, that this is where laws are made and that Parliament existed to support parliamentarians with their duties. An enormous number of changes have taken place since I was first elected, and I have various question marks over the way in which this place is run these days. However, I am delighted to have the opportunity to raise an important issue that we take for granted—the British Broadcasting Corporation.

I am not using this Adjournment debate to attack the BBC—indeed, I have many friends and some relatives who work for it. However, as this place has been greatly diminished and we were under siege before the previous general election, I made a beeline for the BBC's chairman and chief executive when we were invited to attend a reception held by the BBC after the election. I told them that I was very concerned about the way the BBC is run and about the salaries that both of those gentlemen are paid, and I will discuss that in due course.

The BBC is a blue-chip company of which we can be very proud. Its first transmission was from the roof of Selfridges in 1922. The first royal address was broadcast in 1924, and in 1932 we had the first Christmas address from His Majesty, the then King. I do not think that anyone in the Chamber remembers 1940, when Churchill made his rousing speeches, but the BBC also deserves credit for those. In 1945, there were the wonderful Dimbleby's revelatory reports about the terrible happenings in Belsen concentration camp. We have the Olympics next year, and in 1948 the BBC broadcast the Olympic games. Then, 1960 saw the construction of Television Centre, the first purpose-built TV centre in the world. We then go on to 1982 and Brian Hanrahan's unforgettable news reporting of the Falklands war. In 1990—it is ironic that the hon. Member for Great Grimsby (Austin Mitchell) is in the Chamber, because he and I held different views—we saw our proceedings televised. I was dead against that and I voted against it, but, anyway, our proceedings are now televised. The BBC had an exceptional global reputation for being an excellent source of unbiased and impartial news. Indeed, it was groundbreaking and it was known for having remarkably high journalistic integrity in its reports.

The BBC is:

"Institutionally biased to the Left"

and that is a "mindset". Those are not my words, but those of Peter Sissons in an article in one of our newspapers this year. He said that there were

"basic journalistic mistakes—wrong dates, times and numbers...and basic political or geographical facts"

were wrong. The BBC tends to run positive stories in favour of the UN and the European Union. When it comes to reports relating to Israel, it only ever half tells the story, favouring stories that show Israel in a poor

light and failing to report the rest of the facts—I think in a highly disproportionate manner. For instance, there is an humanitarian disaster waiting to happen in Camp Ashraf, so why do we hear nothing about it? There is a terrible situation in Syria, but we do not hear from relatives of President Assad who do not think he is a terribly good leader.

More poignantly, the BBC is fervently anti-cuts and ensures that that message pervades every aspect of BBC programming. Since the general election, the BBC has embarked on a consistent policy of criticising Government actions, which is rather amusing given that the director-general declared that bias at the BBC—he said it, so he must recognise that there was bias—was a thing of the past.

Over the past few days, we have seen that the former Labour Prime Minister was very friendly with Mr Gaddafi in 2004. A book has now been published that shows that there were tensions at the highest echelons of the previous Labour Government. Given the BBC's high expertise in investigative journalism, it is puzzling that none of those things was brought to the fore at the time. We need only to think of "The One Show", which recently ran a segment in which a presenter asked the Prime Minister, "Are you too much of a toff?" Another asked him, "How do you sleep at night?"

The BBC uses the term "independence"—I am still citing Peter Sissons—to mask the fact that it positions itself to serve its own best interests. For example, preference was given to Tony Blair's party conference speech in 1995. Alastair Campbell berated the BBC editor to give the story precedence above all others based on the speech's proximity to the next general election. That was what happened.

The BBC consistently gives left-wing politicians and figures a platform to spout policy and denounce the Government. Examples include the differing treatment of guests from different ends of the political spectrum on shows such as the "Today" programme. How politicians allow themselves to be treated so badly on the "Newsnight" programme, and on "Question Time" and so on, I do not know.

One thing that is particularly unforgivable is the constant practice of presenting the opinion of BBC correspondents as fact, as summed up by Peter Sissons, the former long-time BBC news presenter, in an article earlier this year. He said that "the increasing tendency" at the BBC is

> "to interview its own reporters on air…Instead of concentrating on interviewing the leading players in a story or spreading the net wide for a range of views…It is a format intended to help clarify the facts, but which often invites the expression of opinion. When that happens, instead of hearing both sides of a story, the audience at home gets what is, in effect, the BBC's view presented as fact."

I know that I am biased, but we are blessed with an absolutely splendid Home Secretary and a first-class Secretary of State for Culture, Olympics, Media and Sport. I do not criticise them regarding the challenge that lies ahead. In the past, after each election, the new Home Secretary has invited colleagues to come and talk about licensing and whether we should do away with it, but that has not happened this time. One of the main reasons why the BBC is so financially stretched is the cost of digital-only stations such as BBC 3. This youth-orientated channel costs £119 million a year. Shows on it include "Snog, Marry, Avoid?", "Total Wipeout", "Young, Dumb and Living Off Mum", "Don't Tell the Bride", "Underage and Pregnant" and "Jamelia: Shame About Single Mums". However, I am delighted that Mr Gareth Gates, whom we were honoured to have in the Palace of Westminster today to address the all-party group on speech and language difficulties—he had a speech problem himself—will be appearing on BBC 3 in November on a programme about people with speech difficulties. BBC 4, the more high-brow channel, costs £74 million.

I want to focus on the salaries of executives, because I now realise, as a Member of Parliament, that it is not the workers who are at fault in so many sectors of life but the management. The salaries that the management of the BBC are paid are absolutely ludicrous. The director-general is paid £838,000—this is madness! Other directors' pay, as of March 2011, are: £488,000; £517,000; £467,000; and £452,000—not to mention what the financial controller gets. At 31 March 2011, 13 executive directors had cost us, the British people, £4,792,000, but we Members of Parliament are castigated for what we earn, and the electorate can get rid of us through the ballot box.

Jason McCartney (Colne Valley) (Con): Let me give my hon. Friend an opportunity to take a breath of air after pouring out all those huge figures. Does he agree that it would be totally grotesque if BBC local radio, which is in touch with local communities, had to suffer cuts while those huge salaries were being paid out? In my part of Yorkshire, BBC local radio not only reports local sport such as Huddersfield Giants rugby league and Huddersfield Town football club, but is a valuable service when there is heavy snow, because it lets people know whether the schools are open, which shops are open and which roads are open or closed. People who cannot get out and about love their BBC local radio, and it would be totally grotesque if those salaries were still being paid while BBC local radio was being cut.

Mr Amess: I absolutely agree with my hon. Friend. One cannot watch TV while driving a car, but one can listen to the radio. I love radio—Essex Radio is fantastic. I absolutely agree. Frankly, these BBC radio stations have been starved of cash, as can be seen by looking at some of their software.

The director-general proposed that the executives could increase their annual pay by tens of thousands of pounds through a policy known as "earn back". I must say that I have the highest regard for Lord Patten, the current chairman of the BBC. I once had the honour of being his Private Parliamentary Secretary for a week, not because I was useless but because my former colleague, Robert Key, had been appointed as a Minister and I stood in for a week. Lord Patten is going to be a wonderful chairman of the BBC. Under the director-general's proposals, however, the seven members of the BBC's executive board, as well as the corporation's 540 senior managers, would have been able to earn an extra 10% on top of their salaries by beating performance targets. The proposal was accepted by the BBC's executive remuneration committee, but I am delighted to say that the new chairman stepped in and dealt with the issue. It just shows how out of touch they are.

I now move on to the presenters. I do not know whether we have brilliant presenters. I would just say that I find it slightly annoying that when one or two

[Mr Amess]

female presenters—I do not know whether they have had too much Botox or something—are presenting the news on a very serious subject, they smile. But their salaries, which we are paying for, are worth looking at. The highest paid stars' earnings from the BBC cost 1.55% of the £3.49 billion that the licence fee brings in. That is huge.

The seven high-profile presenters involved in this year's coverage of the Glastonbury music festival for the BBC were not only paid lots of money for going, but given complimentary tickets. Why did the BBC send 400 journalists to the Glastonbury festival? All this goes unquestioned. We are concentrating now on phone hacking and so on. If Parliament was as it used to be, we could properly scrutinise these things.

Jim Shannon (Strangford) (DUP): The hon. Gentleman has mentioned performance targets. Does he agree that if there have to be performance targets, they should be based on the satisfaction of the TV licence holders, and that plenty of them are dissatisfied?

Mr Amess: I am going to call the hon. Gentleman my hon. Friend. I absolutely agree with his point, and I hope that will be a subject for another debate.

To save money, headquarters are moving to Salford. Well, I am sorry: London is the capital city. Other TV channels have found that London is the best place for programmes to be based. Indeed, ITV moved "This Morning" to London because it could not get guests to travel to the studio in Liverpool. There are fears that the corporation's move to the north could turn out to be an £877 million white elephant. It is understood that the BBC has had to offer incentives for people to move to Salford.

On sport, I am sure that many hon. Members used to love watching cricket on the BBC, and wall-to-wall coverage of Wimbledon and so on. "Test Match Special" was so special. Well, all that has gone and now constituents are contacting me about Formula 1. We even had all the anti stuff against Andy Murray. Okay, he is Scottish; let's get over it. He is a fantastic tennis player.

I end with a thought about the licence fee. I am delighted that the Government have frozen it at £145.50 until April 2017. That amounts to 40p a day, which for lots of people actually mounts up to quite a lot. The completion of the digital switchover in 2012 would be a good time to think once again about how the BBC is funded. The British Broadcasting Corporation is a jewel in our crown, if it is well run and managed. It is pointless to have Adjournment debates unless hon. Members' arguments are listened to. I hope that my words have been listened to and that there will be changes in the ridiculous high salaries that are being paid.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. I remind Members that the debate finishes at 8.47, and I am sure that we want to give the Minister time to respond.

8.34 pm

Austin Mitchell (Great Grimsby) (Lab): I am grateful for a little space from the Minister's table to comment, because I will not follow the hon. Member for Southend West (Mr Amess) in his ludicrous accusations of bias in the BBC, about which he is as wrong as he was all those years ago about televising Parliament. However, he mentioned, in his back-handed way, quality in the BBC. We are about the get the document "Delivering Quality First" from the BBC, in which it will tell us how it will deliver a 20% reduction in spending and a 25% reduction in overheads. That is far more than can be gained by any reduction in fees paid to Jonathan Ross or "Paxperson", or even in the director-general's ludicrous salary.

This is a serious issue, because cuts cannot be made on that scale without damaging the BBC's quality of production. This is a national jewel—a national asset—and we propose to inflict devastating cuts in production and staff, in the BBC's scope and artistic integrity and, above all, in quality. Quality costs in television, and it must be financed.

Here we are damaging this precious asset as a result, it seems to me, of a dirty deal that was arrived at between the Conservative party and the Murdoch interests. In return for the Murdoch newspapers' support, the Conservatives agreed in opposition to prune the BBC, as James Murdoch had asked for in his MacTaggart lecture, and to give them the ability to take over Sky. Part of that deal has now fallen through, but it is important—I wish the hon. Gentleman had mentioned this—to stop the decimation of services in the BBC. It must be stopped.

Far from using the licence fee as a stranglehold on the BBC to enforce reductions, we should pass at some stage a supplementary licence fee increase to save it from these cuts, which will be compounded by taking on the burden of the World Service. It is not now a matter of grumbling about bias at the BBC and making snide remarks about the salaries paid at the BBC. It is not now a matter of handwringing; it is a matter of fighting to save the BBC.

8.36 pm

Robert Halfon (Harlow) (Con): I congratulate my hon. Friend and near neighbour the Member for Southend West (Mr Amess) on securing this important debate. I believe that I can set out the answer to the problems that he has talked about this evening. I have campaigned since becoming a parliamentarian for the democratisation of the BBC licence fee. I have presented a ten-minute rule Bill and tabled many motions and questions on the subject. I agree with him that the BBC is a jewel in the crown. I think of the quote from Shimon Peres, who said that the BBC makes

"dictatorship impossible, but democracy intolerable".

I, like my hon. Friend, love Essex Radio and "Look East". We know that they provide essential services for people in my community, but the problem is that we are compelled to pay for the BBC and have no say over its cost or programming. The BBC is monopolistic, with about a third of TV viewing and half of radio, but it does not need to make a commercial return, so other providers are crowded out. We have no recourse and no means of redress. I do not object to the licence fee; I would be happy to pay double.

Mr David Nuttall (Bury North) (Con): My hon. Friend says that the BBC is a jewel in the crown, but what percentage of the British public does he think would purchase a licence if doing so were not compulsory?

Robert Halfon: If my hon. Friend waits, I will answer his question in a second. I would pay double for the licence, but the problem is that we have taxation without representation. We do not tolerate that in politics, and there is no reason why we should tolerate it in our public media.

Under my private Member's Bill, which is due for consideration on 25 November, the BBC would have to set out an annual plan and licence fee payers would vote. It is quite astonishing that licence fee payers had no say over the appointment of Chris Patten, whatever his merits might be. To those who say that voting would mean a decline in quality, I say that that attitude is mixture of ignorance and snobbery—ignorance because there is a market for quality, as Classic FM and other quality media show, and snobbery because that is like saying that the public should not be free to choose for themselves.

Mine is not a radical proposal. Company shareholders have the right to hire and fire their boards. Residents have the right to elect their MPs and councillors. Given that we are supposed to be the BBC's owners and are compelled to pay for it, we should democratise the licence fee immediately and give licence fee payers the vote.

8.39 pm

David Morris (Morecambe and Lunesdale) (Con): I have been listening to the views expressed by hon. Members and I agree with quite a lot of what has been said, but the House should consider the fact that the fears and complaints expressed about monopolies in the media when News International attempted to take over Sky were taken on board by the Government, yet we hear no real complaint about the BBC's monopoly, which reaches far more widely.

There is a lot of talk of cuts, but let us look at the quality of television programmes: as my hon. Friend the Member for Southend West (Mr Amess) said, we have all those reality programmes, such as "Snog, Marry, Avoid", which are ridiculed by the public and in the media. Is that what we want to spend our money on? I do not think it is. The ratings are dropping off and have been doing so steadily since 2000, when the reality TV boom occurred. We are ploughing all that money into the BBC without getting back programmes of the right quality. Efficiency is what we are trying to achieve, not stifling the BBC with cuts. We are trying to get the right deal for the public.

It has to be borne in mind that the Government have spent a lot of time and energy on ensuring that local communities have greater influence over their local services, yet that has not been applied to the BBC. Are we aware that the BBC does not feel that it should be included in this and be subject to the public's views? We have only to listen to local radio to hear that it is stifled in its approach to what it broadcasts.

As more of our local papers move to online versions, does the House share my fear that non-commercial BBC websites might put them out of business, cutting choice for local residents? The BBC is an institution that we should protect, but the charge of cuts that is being thrown at the Government is the wrong one to make. The issue is quality within the BBC. That is the point I wanted to put before the House.

8.42 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): We have had a good debate, long after the House concluded the rest of its business, and the fact that so many hon. Members wanted to participate shows that it could have gone on for much longer. I hope that the hon. Member for Great Grimsby (Austin Mitchell) will tell his Front Benchers that they should initiate an Opposition day debate on the future of the BBC, because there is nothing that hon. Members enjoy more than having a good old debate about the good old BBC.

May I therefore congratulate my hon. Friend the Member for Southend West (Mr Amess) on introducing the debate and say how much I enjoyed his speech? I hope that I am not breaking a confidence if I say that before the debate he told me that he had a lot to get off his chest, and he certainly did. He started with praise for the BBC, and it is right and proper that we acknowledge that the BBC is one of the finest broadcasters not just in this country, but in the world. It sets a quality bar, which is why we have such high-quality television and radio in this country. At this point, it is traditional for a Member taking part in such a debate to praise his local radio station, so let me say that I think that BBC Radio Oxford is the finest local radio station in the country. That will now appear as a jingle this week on BBC Radio Oxford.

More seriously, may I also praise BBC Worldwide for its success, led by its extremely effective chief executive, John Smith? It makes a significant income for the BBC.

Many topics were covered in the debate, and I have four minutes in which to deal with them. First, I hear what my hon. Friend had to say about impartiality and the BBC. We all have views and might occasionally throw something at the television when we see an item that we think is unfair. The BBC, in the consultation document from the new chairman of the BBC Trust, has said that it is aware of those concerns and will now have annual impartiality reviews. It sounds rather Orwellian, but the BBC is going to have impartiality seminars for staff, where they will be re-educated away from their partial tendencies towards impartial tendencies.

I heard my hon. Friend speak of his concerns about BBC 3 and BBC 4. They are not watched by many, but they are loved by a few. Again, it is an indication of taste that in the litany of programmes of which he disapproved, one shone out—"Total Wipeout"—of which I have become a great fan, because I can watch it with my young children.

I share my hon. Friend's concerns about the level of salaries at the BBC. I am not sure I agree with the assertion that the people who earn these salaries could earn significantly more in the outside world. If such people could triple their salaries there, one wonders why they are not going into the outside world. We have made progress in transparency, at least. I hear his concern about what talent is paid, particularly the talent who use their platform on the BBC to make significant outside earnings by speaking at corporate events, which are not declared by the BBC.

[Mr Edward Vaizey]

The new chairman of the BBC Trust, Chris Patten, is a welcome appointment. I am pleased that we have a licence fee freeze. That will be good for the licence fee payer. Although the hon. Member for Great Grimsby, Cassandra-like, predicts doom for the BBC under the licence fee freeze, my glass is half-full in that respect. What the BBC has, which other media companies do not have, is certainty of income for the next six years.

There will be a charter review. The new charter must be concluded by the end of 2016. It may be that we take into account the views of my hon. Friend the Member for Harlow (Robert Halfon) who, since he entered the House, has made a fantastic impact. I wonder, though, whether his proposals might be somewhat expensive.

May I also praise my hon. Friend the Member for Morecambe and Lunesdale (David Morris) for his contribution—I am told that he used to be in a band, but it is not in *Vacher's*, so I would like to know which band it was—and my hon. Friend the Member for Colne Valley (Jason McCartney), who highlighted the importance of local radio?

I conclude by saying that I thoroughly enjoyed the debate. If anyone wants to know about my own political obsessions, let me point out that my devotion to Parliament and to the BBC means that once I watched the Parliament channel where, in archive footage, I saw the hon. Member for Great Grimsby in his younger days debating the merits of televising Parliament.

Question put and agreed to.

8.46 pm

House adjourned.

House of Commons

Thursday 8 September 2011

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State for Culture, Olympics, Media and Sport was asked—

Sports Projects (Nottinghamshire)

1. **Mr Graham Allen** (Nottingham North) (Lab): What estimate he has made of the level of revenue and capital funding for sports projects in Nottinghamshire in 2011-12; and if he will make a statement. [70588]

The Minister for Sport and the Olympics (Hugh Robertson): Before answering, on behalf of the whole House may I congratulate the England and Wales cricket team on becoming the No. 1 test playing nation in the world? [HON. MEMBERS: "Hear, hear."] That was a popular one. I also congratulate our rowing and athletics squads on winning 14 and 17[1] medals respectively at their world championships last weekend, and William Fox-Pitt on a record sixth victory at the Burghley horse trials.

The figures for the 2011-12 funding period are not yet available, but I am pleased to report that Nu2Sport, in conjunction with the university of Nottingham, Nottingham Trent university and Sport Nottinghamshire, secured a grant of just under £250,000 in national lottery funding from Sport England to help more students participate in sport. Nottingham will also benefit from funding invested throughout the country by the national governing bodies of sport. I will write to the hon. Gentleman once the full figures are available.

Mr Allen: We hear a lot about the legacy of the Olympics. Can the Minister reconcile talking up the legacy of the Olympics with the whole sport plans, which will at the same time reduce expenditure across 46 sports by about £70 million, including in deprived constituencies such as mine? Will he look again at the future funding to maintain what we do at the Olympic level?

Hugh Robertson: Yes, certainly. I would need to look at the figure that the hon. Gentleman has produced and understand how he has got to it. One thing that we have used the increase in lottery funding to do is to preserve funding through the whole sport plans. I need to understand exactly what is behind his figure. We have also produced Places People Play, which includes the iconic and inspired facility funds that are designed specifically to invest in facilities to draw more people into sport. I hope that any clubs in his constituency that are affected will apply to those funds, but I will certainly look at his figures.

Women's Football

2. **Karl McCartney** (Lincoln) (Con): What steps he is taking to promote women's football. [70589]

The Minister for Sport and the Olympics (Hugh Robertson): I spoke at the launch of the Football Association's new women's super league in April. In June, I attended a reception at Downing street for the England women's team ahead of the World cup in Germany. At the junior level, we made strong representations to the FA to increase the age at which girls can play in mixed teams from 11 to 13. I am delighted that that will happen from next year.

Karl McCartney: I thank the Minister for that answer. Will he join me in congratulating all the teams, especially my own team, Lincoln Ladies, on the successful first season of the FA WSL? Lincoln Ladies' attendance rose on average by more than 400% compared with the previous year. Does he agree that the first season laid an excellent marker for future seasons and that it highlights the continuing growth of the women's game in Lincoln and throughout England?

Hugh Robertson: Of course I do. My hon. Friend will be delighted to know that I had the opportunity to meet a number of the Lincoln Ladies players during a visit to the city on 14 June. There is no doubt that the new league has been a fantastic success and I hope it will be a great driver of more women playing football.

Fiona Mactaggart (Slough) (Lab): Will the Minister raise with the FA its girls' talent development programme, which has meant that my constituent, Jaime Gotch, who used to go to the Watford centre, is now left without any support for her very talented football career?

Hugh Robertson: I certainly will. I visited the Watford centre before the election when I was in opposition.

Fiona Mactaggart: It's closed.

Hugh Robertson: I know; that was my point. If the hon. Lady wishes to write to me or directly to the FA, I will see what we can do to help.

Meg Munn (Sheffield, Heeley) (Lab/Co-op): Women and girl's football is a growing sport and is one of the fastest growing sports among girls. As I am sure the Minister is aware, it is enormously important to have women in coaching and being trained as coaches. What is being done to get more women into coaching?

Hugh Robertson: I am glad to say that there is a very simple answer to that question: the development of St George's Park, the FA's new centre of excellence in the midlands. Its specific remit is to drive up the number of coaches, both male and female, across the community game. Many football writers, who have been urging this for a long time, think that it will be the single biggest

1. *[Official Report, 12 September 2011, Vol. 532, c. 5-6MC.]*

seminal change to English football over the next decade. I hope that it will make a huge contribution to sorting out this situation.

Broadcasting (Commonwealth Games)

3. **Thomas Docherty** (Dunfermline and West Fife) (Lab): Whether he has had discussions with (a) the BBC Trust and (b) Ministers in the Scottish Government about the broadcasting rights for the 2014 Commonwealth games. [70590]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): We have had no discussions with the BBC Trust or Ministers in the Scottish Government on this issue, which is a matter for the rights holders and broadcasters, but we welcome the recent announcement that the games will be broadcast on BBC television.

Thomas Docherty: I am obviously disappointed that the Government do not think it important that the BBC lives up to its responsibilities to all nations and regions and acts as the host broadcaster. Will he explain why he has had no such meetings? Does he not accept that we are losing millions of pounds of training opportunities through the Government's failure to act?

Mr Vaizey: The BBC does not always act as host broadcaster for the sports events that it covers. As I say, given that the BBC is covering the Commonwealth games, I am not sure what the issue is.

Local Television

4. **Mr Steve Brine** (Winchester) (Con): What recent progress his Department has made on implementing the recommendations of the Shott review into local television; and if he will make a statement. [70591]

8. **Mr David Hanson** (Delyn) (Lab): What recent progress his Department has made on the development of local television. [70595]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): Last month I announced that 65 locations in the country could be pioneer locations for a new generation of local TV services, and we will be laying three orders before Parliament before Christmas to make that happen.

Mr Brine: I thank the Secretary of State for his reply and for driving forward local TV with such belief; that is all credit to him. May I draw his attention to a bid for a local TV licence that is being put together in my constituency, which places the media and journalist facility at the university of Winchester and Southampton Solent university in Southampton at its heart? Does he agree that if local TV is to work this time around, and the next generation of Dimblebys is to be found, we must draw on the technical expertise within our universities and the students and what they have to offer?

Mr Hunt: I agree with my hon. Friend. He of course knows about this as a former journalist. Those at universities have been among the most enthusiastic people about local TV, not least at Birmingham City university, which has hosted two events on local TV in the past year. The reason is that they see this as an opportunity to found a new sector in the creative industries, which employ more than 50,000 people in the United States. That makes the opposition of the Labour party all the more extraordinary.

Mr Ivan Lewis (Bury South) (Lab) *indicated dissent.*

Mr Hunt: But the shadow Secretary of State wrote to me in July saying that this was a waste of ministerial time. I hope that he might review that position, because this is a big opportunity for jobs.

Mr Hanson: May I give the Secretary of State half a cheer for his proposals? The town of Mold in my constituency has been chosen as a potential hub, but it is the same town where a BBC TV and radio studio has closed, in part because of financial pressures. What guarantees can he give that the capital and revenue streams will be there to develop that network of local television services, and that any advertising will not diminish the ability of local print media to have such advertising and make them viable as well?

Mr Hunt: All the evidence from other countries shows that having local TV stations actually grows the local advertising markets. I am sure that the *Flintshire Chronicle* and *The Leader* will continue to thrive in Mold. I look forward to the right hon. Gentleman appearing on Mold TV, but for reasons of consistency we expect the shadow Culture Secretary to boycott his own local TV station.

Martin Vickers (Cleethorpes) (Con): Channel 7, a local TV station based in Immingham in my constituency, is, I believe, the sole surviving local station from the initial batch, and it has been a success due to forging its partnerships with institutions such as the Grimsby institute of further and higher education. People at Channel 7 have asked me to convey an invitation to one of the ministerial team to visit them and benefit from the success they have had. May I pass that invitation on and look forward to a visit?

Mr Hunt: I am grateful to my hon. Friend for that enticing offer. I travelled to Birmingham and Manchester, and tomorrow I am going to Belfast and Glasgow. I will certainly see whether I can put his constituency on the list as well.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): In response to the Secretary of State's plans for local TV in Wales, a senior BBC source was quoted in *The Western Mail* as saying that he is

"an advertisement for the devolution of every aspect of broadcasting policy to Wales without exception".

Will he unburden himself and agree to such a sensible proposal?

Mr Hunt: Very unusually, this is an issue on which I find myself in disagreement with the BBC. I want to encourage local broadcasting, of course, but broadcasting should remain an issue for the national Government at Westminster.

London Olympics

5. **Mr Nigel Dodds** (Belfast North) (DUP): What estimate he has made of the likely change in the level of participation in sport as a result of the London 2012 Olympics. [70592]

The Minister for Sport and the Olympics (Hugh Robertson): Over the past year, we have increased the share of lottery funding for sport across the United Kingdom and invested £135 million in a mass participation legacy programme and more than £100 million to increase competitive sport through the school games. Increasing participation will be a challenge, and it is one that no previous host city has achieved, but it is our aim to deliver on the pledges made at the time of the bid.

Mr Dodds: I welcome what the Minister has said. I am delighted to hear that the Secretary of State is going to Belfast tomorrow; I am sure that he will be warmly welcomed there. I hope that he has discussions, along with his colleagues, on the issue of increasing participation in sport across the regions and in Northern Ireland. I would be grateful if he could say what discussions he has had with the Northern Ireland Executive specifically on increasing participation in Northern Ireland in sport as a result of the Olympics.

Hugh Robertson: I am delighted to tell the right hon. Gentleman that I visited Belfast on 9 March. I visited the university of Belfast and Sport Northern Ireland and saw a number of participation schemes that I thought were being well run and had every chance of increasing participation across the Province. Indeed, it is the first time that I have been there since I was a soldier 20 years previously, and the change in the whole place was remarkable. He absolutely has that commitment and I will do everything possible to help.

Rehman Chishti (Gillingham and Rainham) (Con): Does the Minister agree that in increasing participation in sport post-2012, it is essential that we protect our playing fields?

Hugh Robertson: Yes, I absolutely do, and there is now a really effective triple lock on playing fields: all planning applications have to go before Sport England; under the Localism Bill people will have the opportunity to designate playing fields as local community facilities; and there is now a specific fund, administered by Sport England, for the improvement of local playing fields.

Kate Hoey (Vauxhall) (Lab): The Minister knows that no one measure can increase participation in sport. Does he accept that what has happened in London, and the leadership shown by the Mayor of London in ensuring that money gets down to the grass roots, is crucial? If we really want to increase participation, we all have to work together in partnership across the whole of sport.

Hugh Robertson: I could not agree more, and I pay tribute to the hon. Lady for the work that she has done in London to bring that about. London is an extremely good example of what can be done at community level to meet the policies coming down from Government. Without real inspiration in different areas to meet different needs, we will not achieve that.

Ian Austin (Dudley North) (Lab): Let me add my congratulations to the sports teams and British sportsmen and women whom the Minister listed earlier.

What assessment has the Minister made of the impact of the decision by his colleagues to withdraw the funding for school sport partnerships, which have led to more than 90% of children doing at least two hours a week of sport in school, compared with less than 25% eight years ago? Is it not the case that sports facilities across the country are being closed, that fees and charges are being increased and that, despite the Olympics, the risk is that the outcome of his Government's decisions will be fewer youngsters and adults taking part in sport across the UK?

Hugh Robertson: Let me say at the outset that the reason why the funding decisions were taken was to tackle the deficit, which would have had to happen whoever was in power. There is a political argument about the scale and speed of it, but the fact is that there would have been cuts under any Government. To mitigate that, we have increased the amount of money that sport gets through the lottery and put in place a specific mass participation programme under Sport England. I have been watching the matter very carefully, and there is as yet—I do not say it will not happen—no evidence that there are mass closures across the country. There is a dichotomy between local authorities that hold facilities in leisure trusts, which are not affected, and those that hold them directly, where they are under threat. We will watch the situation closely.

Brighton Digital Festival

6. **Caroline Lucas** (Brighton, Pavilion) (Green): If he will attend the Brighton digital festival in September 2011. [70593]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Very sadly, neither the Secretary of State nor I will be able to attend the festival this month. I must say, it looks absolutely fantastic and we wish it well, and I am delighted that the Arts Council is giving it £50,000.

Caroline Lucas: I am disappointed that the Minister cannot make the festival this time, and I hope very much that he will next year. Will he give a boost to the city's growing digital sector by using his good offices and those of other Ministers to support a move towards all public sector contracts of less than £100,000 being given to small and medium-sized enterprises, and larger public sector contracts being broken down so that SMEs, particularly in the digital sector, have a much better chance of getting them?

Mr Vaizey: If I am still in this job, I will certainly try to attend next year—and even if I am not, I will try to attend. I will be in Brighton at the beginning of October for the Museums Association conference, at which the hon. Lady is the keynote speaker. I heartily endorse

what she says, because we must do all we can to ensure that small and medium-sized enterprises can get Government contracts.

High-speed Broadband Scorecard

7. **Stephen Timms** (East Ham) (Lab): When he plans to publish the UK high-speed broadband balanced scorecard. [70594]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): We published our initial proposals for a broadband scorecard just before Christmas. We are absolutely committed to having an objective way of measuring how to get the best superfast broadband network in Europe, and we will continue work to ensure that we can do that.

Stephen Timms: But the right hon. Gentleman did say, I think, that the scorecard would be published in the summer, and we have not seen it yet. Will it cover progress towards universal broadband as well as high-speed broadband? It has been reported that the 4G spectrum auctions, which should have taken place early this year, are now going to be delayed further beyond their revised date of the beginning of next year. Is that correct, and is he dismayed, as many of us are, by what looks like a yet further delay?

Mr Hunt: I am sure the right hon. Gentleman, as a former broadband Minister, will know that we have committed ourselves to universal broadband coverage, which will be one of the things measured in the broadband scorecard. However, before he criticises this Government's progress he should show a little humility. He might like to know that the first thing that broadband officials told me was that the amount of money that had been allocated for universal broadband roll-out was half what was necessary.

Alun Cairns (Vale of Glamorgan) (Con): Does the Secretary of State recognise the strength of feeling that exists for a 98% coverage clause in the 4G auction that is to come? Will he urge the mobile operators to think long and hard before launching any legal challenge that would merely delay the process and affect the economy?

Mr Hunt: I am very keen to get on with this auction, because it is clear that the high-speed broadband revolution that we need must also be a mobile revolution—we must assume that most people will access the internet through mobile devices going forward. We are looking very carefully at the possibility of increasing the coverage requirement to 97% and will await Ofcom's findings, which we expect shortly.

Digital Transmitter Sites

9. **Gemma Doyle** (West Dunbartonshire) (Lab/Co-op): What recent discussions he has had with television distribution companies on the variation of digital transmitter sites across the UK. [70596]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I meet the main parties of the digital switchover programme regularly to review progress. The distribution of digital transmitter sites is part of the digital TV switchover process, which is progressing well and is on track.

Gemma Doyle: I thank the Minister for his correspondence with me on this matter, but the fact remains that following the digital switchover, my constituents who receive their television signal from the Milburn Muir transmitter get an inferior TV service. Will he please commit to looking at ways to incentivise companies to provide an equitable service? Alternatively, will he consider a grant scheme for my constituents, who would have to fork out something in the region of £200 to get the same service?

Mr Vaizey: The hon. Lady and I have been in extensive correspondence on this issue, and she is a formidable advocate for her constituents. I hope she will come to the video relay service conference on 15 September. Perhaps we could talk about this issue there and arrange a meeting to discuss it further.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I am looking forward to switching from having four channels to having 15 channels to view in two months' time, when the Tacolneston transmitter switches over. One thing that concerns me, however, is that ITV3 will not be available on the relay transmitter from Aldeburgh, which is a great shame. Licence fee payers should be the ones who choose the channels they receive if they are not to have the full range of services.

Mr Vaizey: I am afraid that about 10% of the population does not get the full range of services, but the core 15 channels. As I have said, that is a commercial issue for the people who operate the transmitters in this country. That issue certainly concerns some Members of Parliament, and if my hon. Friend wishes to join the hon. Member for West Dunbartonshire (Gemma Doyle) and me for a meeting to discuss this further, I would be happy for her to do so.

Broadband (Rural Communities)

10. **Julian Smith** (Skipton and Ripon) (Con): What recent progress his Department has made in delivering broadband to rural communities. [70597]

16. **Mike Crockart** (Edinburgh West) (LD): What steps he is taking to improve broadband provision for rural communities. [70603]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): In August, I announced indicative funding for all parts of the UK for our ambition to have not just universal 2 megabit coverage, but 90% coverage of superfast broadband.

Julian Smith: North Yorkshire is grateful for the Secretary of State's Department's support, and we are getting on with our project, but may I press him further on the 4G auction? It seems that the auction is a Treasury as much as an Ofcom issue, and I would be grateful for any update on any discussions that he is having with the Treasury. I believe that we must nail that issue for north Yorkshire to get the broadband that it needs.

Mr Hunt: I should first like to congratulate my hon. Friend, because north Yorkshire and Cumbria are two of the regions of the UK that have made most progress—they have pretty much moved to tender stage on the 90% superfast broadband ambition. I have a lot of sympathy with his view on coverage, and we are having many discussions inside the Government about how best to handle that. That matters because on all the projections that we see at the moment, the amount of mobile internet data will triple every year, and over the next four years we expect it to increase twenty-sixfold.

Mike Crockart: The unfortunate truth is that many rural areas, including Kirkliston, South Queensferry and Ratho in my constituency, are still crippled by poor broadband services, with speeds significantly lower than the 2 megabits per second minimum target. Will the Secretary of State update the House on any discussions he has had with the Scottish Government on matching the £68.8 million investment recently announced by his Department?

Mr Hunt: We had what can best be described as a rather curmudgeonly response from the Scottish Government about our broadband allocation. That is not a total surprise, but given that the amount of money allocated to Scotland took account of the additional costs of rolling out broadband in sparsely populated rural areas, and that the amount was much greater than it would have been under the Barnett formula, we were expecting a little more enthusiasm. However, now the challenge is on for the Scottish Government to match what the UK Government have contributed, and to ensure that we deliver universal broadband access to my hon. Friend's constituents, and 90% superfast broadband access as well.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): I accept that the Secretary of State has gone some way to providing resources, including to the Scottish Government, but does he agree that to ensure universal broadband coverage some of the most rural communities will require access to affordable satellite broadband? Will he consider bringing forward some of the unallocated money currently in his budget to operate a pilot project in Scotland—in conjunction, I hope, with the Scottish Government—on that very issue?

Mr Hunt: I am a localist. That is why our broadband strategy does not prescribe how local authorities and devolved Administrations meet their targets. However, we have calculated the costs and provided half the money, and we expect them to match-fund. I am pleased to say therefore that in all the areas on which we have had discussions so far there has been a willingness to provide that match funding. If satellite is the right solution in Scotland, we will support that, but we want to leave it to the Scottish Government to come up with the right solution.

Public Service Broadcasting

11. **Tom Brake** (Carshalton and Wallington) (LD): What plans he has for the future of public service broadcasting. [70598]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): We are considering the future of public service broadcasting as part of the Government's communications review.

Tom Brake: I do not know whether the Minister is a physics graduate, like I am, but does he expect a slimmed-down BBC to maintain excellent science programmes, such as those presented by Professor Brian Cox, which have been credited in part for the 20% increase in the number of students taking physics A-levels?

Mr Vaizey: It is not for me to tell the BBC what programmes it should make, but I know that Brian Cox's programmes, which I have seen, have been enormously successful. The BBC's power to make a difference in this area is significant, and I hope now that it will find a charismatic presenter for a history of computer science, so that we can increase interest in computer science education.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does the Minister remember when, two years ago at the Edinburgh festival, James Murdoch said that he wanted Sky to replace the BBC as the most trusted broadcaster? He might well recall that. Given the events of the recent weeks and months, can this ministerial team and Government start embracing and supporting the BBC, both at home and abroad, as so many viewers in my constituency do by listening to it?

Mr Vaizey: The hon. Gentleman mentioned the Edinburgh festival, which reminds me that I should have said how pleased all the festival organisers were with the extensive coverage that the BBC gave them. They were full of praise for it. May I also take this opportunity to praise BBC Radio Oxford, which I praised last night in the House and which incorporated my remarks in its breakfast programme jingle this morning?

Robert Halfon (Harlow) (Con): On public service broadcasting, will my hon. Friend condemn the decision by the BBC to stop broadcasting the Israel Philharmonic orchestra at the Proms? Will he also take this opportunity to condemn those extremists who disrupted the Proms and attacked the orchestra?

Mr Vaizey: I was present at the Israel Philharmonic orchestra's performance at the Proms. It was an occasion when one realised how wonderful the Proms and the promenaders are. It is salutary to remember that even in 1968, when the orchestra from the USSR was playing at the Proms and the USSR had invaded Czechoslovakia, the music was not disrupted. There should be a separation between art and politics, particularly in this case given the astonishing history of the Israel Philharmonic orchestra, which saved so many Jews from death at the hands of their Nazi oppressors.

Pete Wishart (Perth and North Perthshire) (SNP): What representations has the Minister received from Scottish Ministers about setting up a Scottish digital channel, and what resources and support does his Department intend to give to this fantastic cross-party initiative?

Mr Vaizey: If the hon. Gentleman is referring to the Scottish digital network, I discussed the matter with the Scottish Culture Minister at the Edinburgh festival. I know that she is a strong advocate for it. However, I also know that our plans for local television are as exciting for Scotland as they are for England.

BSkyB

12. **Alex Cunningham** (Stockton North) (Lab): What recent representations he has received on the implications for the broadcasting sector of the decision by News Corporation not to proceed with its proposed acquisition of BSkyB. [70599]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): It will not surprise the House to know that I received a number of representations over the News Corp BSkyB bid during its progress and considered them all carefully.

Alex Cunningham: Does the Secretary of State now agree with the Opposition that one of the lessons of the phone hacking scandal and the attempted takeover of BSkyB is that new, tougher cross-media ownership laws are required in this country and that no one media organisation should have such a concentration of power again?

Mr Hunt: I agree with the hon. Gentleman that we need to look carefully at cross-media ownership laws. I agree with him as well that this needs to be done on a cross-media basis; it is not about the dominance of any individual platform any more. We also need to look at whether the merger rules for media takeovers work as effectively as they might. We will listen very carefully to the recommendations made by Lord Justice Leveson before taking action.

Mr Ivan Lewis (Bury South) (Lab): Let me say to the Secretary of State that I may have included the words "Ministers" and "waste of time" in the same sentence, but not in the context of local television. I appeared on Channel M, the example of my local TV station, but the project ended in tears because it was simply not viable.

Throughout the BSkyB process, the Secretary of State maintained that he could consider only plurality and that allegations about phone hacking and other illegal practices were not covered by the relevant legislation. Is he now willing to work with me and the right hon. Member for Bath (Mr Foster) to introduce amendments to the current legislation on an all-party basis to include a wider public interest test and to allow regulators to apply a "fit and proper person" test? That would close loopholes in advance of the longer-term reform of media ownership that will come as a result of Lord Justice Leveson's recommendations. Is the Secretary of State willing to work with me and the right hon. Gentleman on an all-party basis to bring forward those amendments?

Mr Hunt: Of course I will listen to all representations made, but I do not think that the shadow Culture Secretary quite understands the way the law works. If the bid were re-presented, under the Enterprise Act 2002 it would count as a new bid and, as Secretary of State, I would have the power to refer it to Ofcom on the basis of broadcasting standards, media plurality or, indeed, national security, so safeguards exist. However, if what the hon. Gentleman is really trying to say is that Rupert Murdoch and his children are evil and must be stopped at all costs, just wait until he sees "The Godfather".

Mr Lewis: I think the Secretary of State should speak for himself on those issues. It is absolutely clear that if there were to be a new bid, the only basis on which he could consider it would be plurality and broadcasting standards. He could not ask regulators to look at the wider public interest, nor could he insist that they apply a "fit and proper person" test. That is why we urgently need action now.

Let me turn quickly to a related issue. Can the Secretary of State clear up once and for all whether he discussed News Corp's proposed acquisition of BSkyB with the Prime Minister at any stage during the quasi-judicial process? To be clear: I am not asking whether he consulted the Prime Minister on any decision that he had to make, but whether they discussed it during that period.

Mr Hunt: As I have told the shadow Culture Secretary, the decision was mine and mine alone, and I did not consult the Prime Minister about that decision. Not only that, but I consulted Ofcom and got independent advice, which I followed. However, let me say to the hon. Gentleman that he still does not appreciate that section 3 of the Communications Act 2003, which was passed by his Government, gives Ofcom the duty to ensure that all holders of broadcast licences are fit and proper at all times and the duty to remove them at any time, so these powers exist. We want to strengthen them in specific areas, and we are working hard to ensure that we make the right changes to avoid what happened before happening again.

Human Trafficking

13. **Mr Peter Bone** (Wellingborough) (Con): What recent discussions he has had with the Secretary of State for the Home Department on the Government's policy on human trafficking in respect of major sporting events. [70600]

The Minister for Sport and the Olympics (Hugh Robertson): Regular Olympic briefings take place between my right hon. Friend the Secretary of State, me, Home Office Ministers and the Olympic intelligence centre to discuss threats to the games, including human trafficking. Although there is currently no evidence of an increase in human trafficking linked to the games, the Government are aware of the threat, which is real, and will remain vigilant.

Mr Bone: I thank the Minister for that full response. The danger of modern-day slavery at the Olympics is great. I appreciate that the Government have recognised that in their new strategy on human trafficking, which talks about the intelligence leading up to the games, but can he tell us a little more about how that works?

Hugh Robertson: Yes, of course I can. We have a bespoke Olympics intelligence centre, which looks specifically at intelligence leads surrounding information of all sorts feeding into the Olympics. As my hon. Friend correctly says, there is evidence that hosting world-class sports competitions can, in certain circumstances, lead to an

increase in human trafficking. As yet there is no hard evidence that that is happening, but the threat remains and we will remain vigilant.

Tessa Jowell (Dulwich and West Norwood) (Lab): Just to remind the House, today is Paralympics day—a day of celebration up in Trafalgar square of the extraordinary achievements of Paralympians and of achievements to come.

The Minister will have seen the March 2010 report published by London Councils which examined the potential impact of the games on trafficking. I know that he shares my long-standing concern that the games should be safe for women and that London should be a no-go area for evil exploitation by traffickers. The London Councils report suggested that there was a particular risk that the number of Roma people trafficked for begging would increase. Have there been discussions with the Romanian Government and others to ensure that this risk does not materialise?

Hugh Robertson: That is a good question. I have not myself had discussions with the Romanian Government because the information I receive is channelled through the Olympic intelligence centre. I can give the right hon. Lady my absolute assurance—I believe she will get a security briefing within the next couple of weeks, so she will have the opportunity to ask that question herself—that I, too, will ask that specific question. As I say, there is no hard evidence to date that anything of this sort is occurring. As I said earlier, the threat is there and we will remain vigilant.

Formula 1

14. **Gavin Shuker** (Luton South) (Lab/Co-op): What recent representations he has received on broadcasting rights for Formula 1 races. [70601]

The Minister for Sport and the Olympics (Hugh Robertson): I regularly receive representations on sports broadcasting—I doubt whether that will surprise anybody—including on Formula 1 races.

Gavin Shuker: The whole House will be aware that Formula 1 and motor sport more generally in this country is a multi-billion pound industry, with household names such as Jenson Button, Lewis Hamilton, Paul di Resta, McLaren-Mercedes and Red Bull effectively becoming great British brands. Following the shameful decision of the BBC to sell out to Sky, may I ask what the Minister will do to protect this industry so that it is not sold out in the same way that the many fans who will have poor-quality coverage for the next decade are being sold out?

Hugh Robertson: The decisions taken by the BBC about how to spend its own sports budget are, of course, matters for the BBC alone. The Government's remit extends to the free-to-air television regime. Formula 1 has never been on that list. I was the Minister in charge of looking at the matter last time it came up, just after the election. There was no significant pressure at that point to put it on the list. At this time, therefore, it remains a matter for the BBC, which has to decide how to spend its sports budget, but we will, of course, review all these matters when the list is next reviewed in 2013.

Topical Questions

T1. [70608] **Gregg McClymont** (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): If he will make statement on his departmental responsibilities.

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): I should like to echo what the shadow Olympics Minister said about today being international Paralympic day. The Paralympics have a special place in our nation's heart because it started here in Stoke Mandeville in 1948. We want to welcome more than 100 chefs de mission from Paralympic teams to London this week, wish the organisers success and, particularly, wish our brilliant Team GB Paralympian success next year. At the Beijing Olympics, they thrashed Australia; they thrashed America; they thrashed Russia; they thrashed every single country in Europe and came second in the world only to China.

Gregg McClymont: I add my own congratulations to our Paralympians and would like to return to the question asked by the hon. Member for Edinburgh West (Mike Crockart) about why the Scottish Government have not matched the UK Government's broadband funding? Does the Minister agree that this is a short-sighted decision, which is inimical to Scotland's long-term prosperity?

Mr Hunt: I entirely agree with the hon. Gentleman because all the evidence on economic growth shows that it is the more remote, dispersed communities that benefit most from having a good broadband connection. This can stop villages losing their economic lifeblood; it allows people to work from home; and it helps disadvantaged, elderly and disabled people to gain access to services that they would not otherwise be able to receive. I strongly encourage the Scottish Government to respond positively to the extraordinary generosity of the UK Government and to get Scotland connected.

T2. [70609] **Karl McCartney** (Lincoln) (Con): I was pleased to see Members of all parties and of the other place take part in the parliamentary archery competition on Monday afternoon on Speaker's Green, courtesy of you, Mr Speaker. Thank you. I was certainly all of aquiver that I, with my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), managed to win the competition. Will the Secretary of State or one of his Ministers tell us what plans are in place to ensure that British archery and other less well-known sports receive adequate funding and, perhaps, media coverage in the run-up to and beyond the 2012 Olympics, thus giving Team GB the best chance of medal success across a plethora of events?

Mr Hunt: I thank my hon. Friend for that question. I strongly agree that we need to support all Olympic events, which is why we are preserving the funding for the whole United Kingdom elite sport budget for the training of Olympians and Paralympians despite a very difficult spending round. I have been to see our Olympic and Paralympic archers train at Lilleshall, and I know that we all wish every success to gold medallist Dani Brown and bronze medallist Alison Williamson, who are our big medal hopes for next year.

Gloria De Piero (Ashfield) (Lab): I have asked the United Kingdom national lottery operator, Camelot, to give me a constituency breakdown showing where lottery tickets are purchased, but it has refused to do so. Does the Minister agree that, for reasons of transparency, it is important for such information to be in the public domain, and will he help me to put it there?

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): It is not quite clear why this information is so important, but I am very happy to try to understand why. The destination of lottery funding has long been readily and transparently available, and can be found in the Library. However, I do not see why there should be a direct correlation between potentially richer constituencies where a large number of lottery tickets are bought, and constituencies that are in more need and receive a large amount of lottery funding. If the hon. Lady can explain why that direct connection is important, I shall of course be delighted to help if I can.

T3. [70610] **Julian Sturdy** (York Outer) (Con): In the light of the digital radio action plan, can the Secretary of State or a Minister assure us that the Government will specifically support local commercial radio stations before the switchover?

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Yes, we certainly intend to ensure that the move towards digital radio does not discriminate against local commercial radio stations.

T6. [70613] **Mr Tom Watson** (West Bromwich East) (Lab): There is a world of difference between a journalist who bribes a police officer for information and a journalist who gets information from a police officer, freely given. The former corrodes our democracy, while the latter protects it. In that light, is the Secretary of State concerned about the recent arrest of *The Guardian* journalist Amelia Hill?

Mr Jeremy Hunt: As I know the hon. Gentleman will understand, it would not be right for me to comment on a police matter, but I agree with him that there is an important difference between off-the-record briefing and the payment of money by or to the police in return for information. Journalists must operate within the law, but, as the Prime Minister told the Liaison Committee, as we go through this entire process we must be careful not to overreact in a way that would undermine the foundations of a free society.

T4. [70611] **Andrew Stephenson** (Pendle) (Con): Pendle Leisure Trust sport development manager Joe Cooney is working closely with Colne football club in helping it to apply for iconic facilities funding for new changing rooms at its stadium, which is currently in a poor state of repair. What steps is my right hon. Friend taking to ensure that bids are encouraged from other groups in Pendle and east Lancashire?

The Minister for Sport and the Olympics (Hugh Robertson): Part of Sport England's Places People Play initiative involves investment in inspired and iconic facilities. In a sense my hon. Friend has answered his own question: the fact that the club is making the application suggests that the promotion is about right. However, I will certainly ensure that Sport England takes every possible measure—indeed, I know that it has done so—to enable everyone to benefit from this £135 million investment opportunity.

T7. [70614] **Mr Nigel Dodds** (Belfast North) (DUP): At the last reckoning, some five companies from Northern Ireland have been successful in first-tier contracts with the Olympic Delivery Authority, and some 43 have won contracts with the supply chain of tier 1 contractors. However, there is grave disappointment in the Province about the level of contracts won by Northern Ireland companies, and also about the failure properly to allocate Barnett consequentials to Northern Ireland and the other regions. Will the Minister undertake to work with the Northern Ireland authorities and with the Treasury to try to increase the number of contracts won, even in the run-up to next year's Olympics?

Hugh Robertson: Yes, of course I will. When I was in Northern Ireland earlier this year I visited a number of the businesses that have won contracts, Ulster Weavers being a good example. As the ODA has to award the contracts on a commercial basis there must be a good value-for-money case, but I will certainly do all that I can.

T10. [70617] **Duncan Hames** (Chippenham) (LD): My constituent Bethany Gutcher-Dunn is fascinated by England's heritage, and is now studying the reign of Henry VIII at Aloeric primary school in Melksham. She has entered into correspondence with Her Majesty the Queen about the prohibitive cost of visiting the historic royal palaces. Will the Minister consider extending his support for the free museum entry policy to enable educational visits to these historic palaces?

John Penrose: The Historic Royal Palaces organisation is very successful at popularising its various buildings around the country and encouraging people to visit them, and I know that it makes every effort to reach out to educational organisations. Unfortunately, if we start to introduce additional subsidies, that would require additional money, and, as my hon. Friend will know, there is not much money available given the awful financial position we inherited. I will, however, be delighted to discuss this matter with him.

T8. [70615] **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): I welcome the earlier comments of the Minister for Sport and the Olympics about the state of football governance. When considering the Select Committee's welcome report, will the Department work with not only the football authorities but Supporters Direct and other football supporters' organisations to ensure that football supporters have a role in the future governance of football?

Mr Jeremy Hunt: We greatly welcome the Select Committee's comments, and we will publish our official response in due course. We recognise that now is the time for change in football governance, and one important issue we want to look at is what can be done to boost the role of supporters. I note the Select Committee's comments on changes to the Financial Services and

Markets Act 2000 to make it easier and less bureaucratic for supporters to build up stakes in clubs so that they can have real ownership.

Laura Sandys (South Thanet) (Con): As the sun is setting earlier every day over the beautiful beaches of Thanet and my seasonal businesses are closing down, what representations will the Department make to the Treasury and the Department for Business, Innovation and Skills about the Daylight Saving Bill and the impact it will have on tourism and jobs?

John Penrose: As I said before, the essential point is that while many people, especially in the tourism industry and in the south of the country, are enthusiastic about this move, it is important that we take the entire country with us. In particular, it is important that we do not seek to impose a situation on, for instance, people and businesses in the north of Scotland unfairly and without their consent. We will therefore take great care not to proceed without the consent of all parts of the UK.

T9. [70616] **Alison McGovern** (Wirral South) (Lab): I thank the Secretary of State for his recent letter to me regarding tourism ahead of the Olympics. I was concerned, however, that he listed the Lake district as a local treasure of the Wirral, until I realised that the same letter had been sent to all the north-west MPs. So that he can learn a bit more about the geography of north-west England, will he visit one of our actual treasures in the Wirral with me: Port Sunlight village, whose festival in July attracted 20,000 visitors?

Mr Jeremy Hunt: I will be delighted to do so as soon as my diary permits. A key part of our tourism strategy is promoting regional tourism and encouraging people to visit what is on their regional doorstep. It was in that spirit that we sent the hon. Lady that letter.

Mr Don Foster (Bath) (LD): The position of channels on the television electronic programme guide influences what we watch. Will the Secretary of State therefore explain why we allow some EPGs to list American cartoons way above the British content, given that we want our children to watch more UK-originated content than American cartoons?

Mr Hunt: My right hon. Friend makes an important point. Position on the EPG will probably be the Government's single most important lever in protecting our tradition of public service broadcasting. We are actively looking at how to make that situation better, if necessary using legislation.

HOUSE OF COMMONS COMMISSION

The hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, was asked—

Savings Programme

1. **Thomas Docherty** (Dunfermline and West Fife) (Lab): What progress the House of Commons Commission has made in its savings programme in the financial year to date; and if he will make a statement. [70618]

John Thurso (Caithness, Sutherland and Easter Ross): Preliminary estimates for the first quarter of 2011 suggest that we are well on track to achieve the initial savings of some £12 million which were identified this time last year. The HOCC is committed to reducing spending by at least 17% by 2014-15, and the detailed work on that stage of the savings programme is currently under way, with a consultation taking place during the autumn of Members, Members' staff, House staff and others.

Thomas Docherty: I am most grateful for that answer, and I know that both you, Mr Speaker, and the hon. Gentleman are committed to the House doing our bit. Has the HOCC had a chance to study the Administration Committee's report on catering and retail services, and does the hon. Gentleman agree it is vital that we not only raise more revenue where we can but save costs by, perhaps, trying to merge those services from the two Houses?

John Thurso: I have indeed had an opportunity to look at the report, which contains many good proposals. On the two specific points, I can tell the hon. Gentleman, first, that raising income will be a vital part of our future plans. Secondly, on shared services, this already happens in respect of both Parliamentary Information and Communications Technology—PICT—and estate services. I am sure that the authorities of both Houses will be looking to maximise this, as it is a sensible way to save money.

LEADER OF THE HOUSE

The Leader of the House was asked—

Grand Committees

2. **Mr Nigel Dodds** (Belfast North) (DUP): What recent consideration has been given to the role of the Grand Committees of the House. [70619]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The Welsh Grand Committee and the Northern Ireland Grand Committee have a valuable contribution to make to the work of the House, and I am pleased that the Northern Ireland Grand Committee will be meeting again in November, following the agreement of the House on Tuesday.

Mr Dodds: I thank the Deputy Leader of the House for his answer. Given the advent of devolution, opportunities for Members from Northern Ireland—I can speak only for them—are somewhat limited, so it is important that meetings of the Northern Ireland Grand Committee take place. Will he ensure that there are more frequent meetings at which matters of relevance to the Province can be debated in more time than is available on the Floor of the House?

Mr Heath: I certainly hear what the right hon. Gentleman says and I am happy to speak to the Secretary of State for Northern Ireland to see what arrangements can be made. Obviously, there are limits to the number of times that any Grand Committee can sensibly meet, but I hear what the right hon. Gentleman says.

Ian Lucas (Wrexham) (Lab): Earlier this week, my excellent Whip informed me that on 20 October the Welsh Grand Committee will be meeting in my constituency. Does the Deputy Leader of the House agree that it was extremely discourteous of the Government not even to have told me about the meeting and for that information to have been conveyed to me by my Whip rather than by somebody acting on behalf of the Government?

Mr Heath: I am sure that no discourtesy was intended. Of course the decisions of Grand Committees to meet are presented to the House, and so the hon. Gentleman would be aware of it by that means. I would have thought that any discourtesy was more than outweighed by the convenience to him of having the Grand Committee meet in his constituency.

Parliamentary Questions

3. **Mark Menzies** (Fylde) (Con): What recent estimate he has made of the cost to the public purse of parliamentary questions for written answer. [70620]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The average cost to the taxpayer of a question for written answer is estimated at £239. In the financial year 2010-11, a total of 46,825 written answers were published, at an estimated total cost of about £11.2 million.

Mark Menzies: We would all agree that written parliamentary questions are an important way of holding the Government to account, but what steps is the Deputy Leader of the House proposing to take to limit exposure to the public purse? Should hon. Members be in more control of this process?

Mr Heath: I am grateful to the hon. Gentleman for that, but I really do not think it is for the Government to limit or try to ration the supply of questions, because, as he says, it is very important that hon. Members have that opportunity to hold the Government to account. However, I do think that hon. Members, like other public servants, should consider the impact of their activities on the public purse. It is particularly important to recognise that the right to table questions belongs to hon. Members, and hon. Members alone.

Helen Jones (Warrington North) (Lab): Does the Deputy Leader of the House agree that if he is to fulfil the Prime Minister's pledge to

"increase the power of Parliament",

he should be worrying less about the quantity of questions and more about the quality of the answers? What is he going to do to ensure that Ministers give full and timely responses to Members, and that they end the increasing practice of giving holding answers to named day questions and transferring orals at very little notice? Or is this going to go the way of other prime ministerial pledges, such as those for more free votes on Bill Committees and text updates on the progress of Bills?

Mr Heath: The hon. Lady has a very short memory span if she really thinks that this Government are performing worse than the Government of whom she was a member. I recall that many times her Government were quite incapable of providing timely, or indeed adequate, responses to questions. We always try very hard within the Departments to make sure that people get their questions answered properly and on time. If Departments fall short of those ideals, my right hon. Friend the Leader of the House and I are very happy to chase up those Departments to see whether we can improve the performance. However, I have to say that I do not think the performance is lacking at the moment.

Lobbying (Transparency)

4. **Stephen Phillips** (Sleaford and North Hykeham) (Con): What steps he is taking to increase the transparency of the lobbying of hon. Members. [70621]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): As my hon. Friend the Minister for Political and Constitutional Reform announced on 18 January, the Government remain committed to creating a statutory register of lobbyists and are working towards developing proposals for that register. The Government hope to hold the consultation exercise later this year before bringing forward any necessary legislation in due course.

Stephen Phillips: I am grateful to my hon. Friend for that answer. Given the erosion of trust among the public in politics and politicians over the past few years, will he ensure that that process proceeds as quickly as possible and tell the House precisely when the register will be in place?

Mr Heath: I am grateful to the hon. and learned Gentleman and I entirely agree with him. This is a priority issue and we need such a degree of transparency in the arrangements for lobbyists. As I said, we have a consultation exercise and it would be wrong for me to prejudge it, but it is certainly our hope and intention that we will be in a position to introduce legislation on this matter in the next Session of Parliament, as has been indicated by my hon. Friend the Minister.

House of Commons Reform

6. **Mr Graham Allen** (Nottingham North) (Lab): When he plans to implement the remaining recommendations of the House of Commons Reform Committee's report "Rebuilding the House". [70623]

The Leader of the House of Commons (Sir George Young): This Government successfully implemented the recommendation to establish a Backbench Business Committee, which I am sure that the hon. Gentleman welcomed. The majority of the remaining recommendations of the Wright Committee are a matter for the House rather than Government. The Government will be bringing forward a Green Paper on intelligence and security later this year in which we will make initial proposals on how to reform the Intelligence and Security Committee. As set out in the coalition agreement, the Government are committed to establishing a House business committee in 2013.

Mr Allen: I congratulate the Leader of the House and the Deputy Leader of the House on the swift way in which they brought before the House for decision the

Wright Committee proposals on the election of Select Committee Chairs by the whole House and the election of Select Committee members by their parties as well as on the speedy creation of the Backbench Business Committee. Will they sustain this great record by bringing forward the pledge to create a proper business committee for this House so that we in this Chamber control the business in future rather than the Government we are meant to be holding to account?

Sir George Young: I am happy to repeat the assurance I have already given. It is in the coalition agreement that we are committed to establishing a House business committee in 2013. We look forward to wide consultations with the hon. Gentleman and others about the best way of delivering on that commitment.

Westminster Hall

7. **Mr Philip Hollobone** (Kettering) (Con): If he will take steps to encourage Secretaries of State to participate in debates in Westminster Hall pertaining to their Department. [70624]

The Leader of the House of Commons (Sir George Young): Westminster Hall debates are an important mechanism for holding the Government to account. Secretaries of State do participate in debates in Westminster Hall, as my right hon. Friend the Secretary of State for International Development did recently.

Mr Hollobone: May I make the Leader of the House aware that the Backbench Business Committee is keen to allocate as many days to Backbench business in Westminster Hall as he will give the Committee? That task would be made easier were he to encourage his fellow Secretaries of State to attend, listen to and respond to those debates.

Sir George Young: I am grateful to my hon. Friend. The Government have no ownership of the days in Westminster Hall—that falls between the Liaison Committee and the Backbench Business Committee—but I take to heart what he has said. My right hon. Friend the Minister for the Cabinet Office and Paymaster General, who attends Cabinet, will be speaking in a debate in Westminster Hall next Thursday.

Mr Peter Bone (Wellingborough) (Con): Following on from that, if Secretaries of State attended Westminster Hall, perhaps Monday afternoon could be opened up for Westminster Hall debates, and the general debates we used to have in this Chamber on defence and Europe could be held there?

Sir George Young: That is a helpful suggestion from my hon. Friend. He will know that the Procedure Committee is at the moment undertaking an inquiry into the calendar. Whether or not we open up Westminster Hall on a Monday afternoon is a proposition that my hon. Friend could usefully share with my right hon. Friend the Member for East Yorkshire (Mr Knight), who chairs that Committee.

Ministerial Statements

8. **Pat Glass** (North West Durham) (Lab): What assessment he has made of the process for using ministerial statements to make major Government announcements. [70625]

10. **Mr Iain McKenzie** (Inverclyde) (Lab): What assessment he has made of the process for using ministerial statements to make major Government announcements. [70627]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): So far this Session, there have been 139 oral ministerial statements and more than 1,500 written ministerial statements made to the House. My assessment is that this Government have a much better record than the previous Government.

Pat Glass: The right hon. Gentleman has something of a reputation as a parliamentary reformer. Is he not concerned that that reputation is now under threat given his churlish and I have to say uncharacteristic response to the Procedure Committee regarding ministerial statements?

Mr Heath: I presume that the hon. Lady is referring to the response from my right hon. Friend the Leader of the House, but I can remember not a single occasion on which he has even hinted at churlishness, let alone expressed it in response to a Select Committee. Of course we look carefully at what is proposed by Select Committees, and there will be times when we do not entirely agree with them for very good reasons, but that does not mean that we do not respect what they say, while being prepared to argue our case in due course when relevant matters are debated in the Chamber.

Mr McKenzie: Why is the hon. Gentleman so against using Westminster Hall to ease the burden on this Chamber and allow us fully to scrutinise the misguided legislation that his Government are pushing through the House?

Mr Heath: I am not sure that I entirely understand the hon. Gentleman. He is a new Member of the House and I hope he will not consider it patronising when I say that he may not know why Westminster Hall sittings were first proposed, which was to allow for non-legislative and non-contentious business to be taken in a parallel Chamber while the House was sitting. It was not meant to create impossible dilemmas for Members in having to attend two important venues at the same time. Having said that, if we can make better use of Westminster Hall we are certainly open to doing so. If we can find other ways of reducing the pressures on this Chamber then it is better that we do so. The biggest difficulty that we have is the huge appetite that the House understandably has for hearing Ministers make statements and its proper appetite for scrutinising legislation fully and properly.

E-petitions

9. **Andrew Stephenson** (Pendle) (Con): What plans he has to assess the effectiveness of the e-petitions initiative. [70626]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The Leader of the House's office is constantly monitoring the effectiveness of the e-petitions site. Following its launch, the site now hosts more than 6,500 petitions, which have received more than 1.5 million signatures. This unprecedented interest in the site is a useful indicator of its effectiveness. For the first time, the e-petitions website is not just graffiti, but offers the public an effective route for engaging with Parliament.

Andrew Stephenson: I thank the Deputy Leader of the House for that answer—I was going to ask him about the overall visitor numbers to the site and the number of petitions already hosted on there. Will he comment on the decision of the Backbench Business Committee about the most popular two petitions not being discussed until we reconvene in October?

Mr Heath: I think it would be entirely improper for me to answer on behalf of the Backbench Business Committee, but let me make it clear that we have provided a way for the public to engage with Parliament. What the petitioners want, presumably, is for the topic they have raised either to be dealt with effectively by the Government or to be debated in due course by the House when the opportunity arises. The idea that when a petition reached the threshold there would be an immediate debate is not the purpose of the site, but it does mean that proper consideration is given to whether the matter has been debated or will be debated in another form or whether the Government have changed their policy to meet the concerns, which may be the case in relation to at least one of the petitions that has already reached the required threshold.

Fiona Mactaggart (Slough) (Lab): But does the Minister agree with the *Daily Mail*, which says that this amounts to an e-petition con? The Government said to the public, "If 100,000 of you sign one of these petitions, there'll be a debate." What discussion did the Government have with the Backbench Business Committee about how the time for those debates would be allocated?

Mr Heath: May I caution the hon. Lady, first against reading the *Daily Mail*, and secondly against agreeing with what it says? The Government have never said that when a petition reaches the threshold it will have an automatic right of debate. It will be considered with a view to seeing whether the matter raised has already been debated or is already going to be debated in a different context or whether the request has already been met by the Government. If there is then a need to debate something that the public have registered as an interest, the Backbench Business Committee will respond to that request. That seems to me an entirely proper way of doing things and it is a huge improvement on the old No. 10 petition site on which the petitions went precisely nowhere.

Business of the House

11.35 am

Hilary Benn (Leeds Central) (Lab): Will the Leader of the House give us the forthcoming business?

The Leader of the House of Commons (Sir George Young): The business for the week commencing 12 September will be as follows:

MONDAY 12 SEPTEMBER—Consideration of Lords amendments to the Police Reform and Social Responsibility Bill.

TUESDAY 13 SEPTEMBER—Opposition Day [20th allotted day]. There will be a debate on an Opposition motion. Subject to be announced.

WEDNESDAY 14 SEPTEMBER—Remaining stages of the Energy Bill [*Lords*].

THURSDAY 15 SEPTEMBER—Motion relating to food security and famine prevention in Africa, followed by general debate on human rights in the Indian subcontinent. The subjects for these debates were nominated by the Backbench Business Committee.

The provisional business for the week commencing 10 October will include:

MONDAY 10 OCTOBER—Remaining stages of the Protection of Freedoms Bill (day 1).

Hilary Benn: I am grateful to the Leader of the House for that reply, and I welcome him and Members on both sides of the House back from a busy summer.

As this Sunday will mark the 10th anniversary of the 11 September attacks, I am sure that the whole House will wish to remember all those who lost their lives, including the 66 British citizens. Our thoughts are with them and their families.

The inquiry on the recent riots will produce an interim report in November. Will the Leader of the House assure us that the Government will provide time for it to be debated? Can we be told how many police officers' jobs could be saved by not spending £25 million on a delayed poll for costly police commissioners—just, it seems, to placate the Liberal Democrats?

We welcome the opportunity that e-petitions will give the public to get things debated in Parliament, but the Leader of the House will be aware that my hon. Friend the Member for North East Derbyshire (Natascha Engel), the Chair of the Backbench Business Committee, says that there are quite a few problems with that. Will he allocate more time for those and other Back-Bench matters to be debated?

Will the Leader of the House confirm that the autumn statement is when the Chancellor will finally announce plan B, because plan A clearly is not working? The Government's growth forecasts will have to be downgraded yet again, consumer confidence has never been lower and the head of the International Monetary Fund has just warned countries to adapt their austerity programmes by taking steps to improve growth, but the Chancellor is not listening. Indeed, the only thing he seems keen to do is abolish the 50p tax rate. Does not that send a clear message to hard-pressed families—that this Government are more interested in millionaires than they are in middle England?

As we have seen this week, despite its famous pause, the Health and Social Care Bill has failed to win the confidence of those working in the NHS. Meanwhile, more patients are waiting longer for operations, and yesterday the Prime Minister was completely unable to explain why. Is it because attention is being diverted elsewhere?

On that subject, may we have a statement from the Secretary of State for Health on reports that the Imperial College Healthcare NHS Trust has considered selling off St. Mary's hospital in London—the place where penicillin was discovered—for property speculation? It seems that it went as far as to start a tendering process involving six architects. How much NHS cash did that cost?

Something else that is not safe in the Government's hands is our countryside. After the forests sell-off fiasco, we now have the planning punch up. It takes a special talent to make a sworn enemy of the National Trust, but calling critics "nihilist" and "semi-hysterical" was not very clever, was it? When can we expect a statement on the further revisions to that guidance, which are now inevitable?

Yesterday, a delegation from Bombardier came to the House to plead with the Government to reconsider their decision to award the Thameslink train contract to Germany instead of Derby. The Government's refusal once again to listen, even though they have now admitted that they can reopen the process, has angered Derby city council. Its Conservative leader, Philip Hickson, was blunt:

"I do not think they have grasped the widespread anger... the Government have simply got things wrong".

Finally, in recent months the Prime Minister's strategy chief, Mr Steve Hilton, has proposed scrapping maternity leave and health and safety laws, closing jobcentres and replacing Government press officers with bloggers—there could be an opening there for the Leader of the House—all ideas that have been slapped down by No. 10. This week it is reported that Mr Hilton secretly asked a QC to advise on how to challenge new employment rights for temporary workers being introduced by the Business Secretary. The Business Secretary was distinctly unimpressed. A source in his Department said:

"Vince makes decisions on this policy... not Steve Hilton".

A Lib Dem observed:

"Hilton is just a renegade."

I had thought that Mr Hilton was the Prime Minister's chief special adviser, but when I pressed No. 10 on this I was told that the Prime Minister knew nothing about it. Could we be told how much this legal freelancing cost and who exactly Mr Hilton works for? He seems to come up with so many bad ideas, so may we have a statement from the Prime Minister listing his good ideas? I am sure that that would appeal to you, Mr Speaker, because it would not take very long.

Sir George Young: May I begin by thanking the right hon. Gentleman for his welcome back, which is reciprocated? He clearly spent the summer recess further honing his skills of performance at the Dispatch Box, and we had another sparkling example this morning.

With regard to 9/11, he may know that there will be a commemorative service at Grosvenor square tomorrow, at which the Government will be represented, which will provide an appropriate opportunity to remember the

[Sir George Young]

UK citizens who died in that tragedy. On the riots, we need an appropriate opportunity to discuss the aftermath. The Government have established a number of groups to look at some of the implications, and I know that the House will want to revert to that subject in due course.

There will be an opportunity on Monday, when we debate the Police Reform and Social Responsibility Bill, to consider the Government amendment to postpone the elections for police and crime commissioners until next November, and I am sure that he will want in principle to support the idea of the electoral accountability of the commissioners. As my right hon. Friend the Prime Minister said yesterday, we are not quite clear why the Labour party is so frightened of having elections.

On e-petitions, I have regular discussions with the hon. Member for North East Derbyshire (Natascha Engel), who chairs the Backbench Business Committee, and am of course happy to have further discussions with her so that we can make e-petitions a success. I was pleased to see in the press notice that the Committee put out yesterday that it thinks that

"the e-petitions site is a very welcome initiative."

I want to work with her to ensure that this really takes root.

On the autumn statement, I would have thought that the one thing that had become absolutely clear during the summer recess is that those Governments who did not take a firm grip of the fiscal situation ran the risk of losing market confidence and then paying a very high price to regain it. One of the things the coalition Government have done is avoid the loss of market confidence by taking firm action last year. If the right hon. Gentleman wants to go down the route of plan B, he runs the risk of losing market confidence in the same way other European countries have done.

On the question of tax, I am sure that the right hon. Gentleman will welcome the fact that in the last Budget and the next one, around 25 million taxpayers will benefit from the increase in personal allowances and over 1 million people will have been taken out of tax entirely.

On waiting lists, I followed the exchange yesterday during Prime Minister's questions. Overall there has been very little change in waiting times since the general election. In one case, that of in-patients, waiting lists have gone up, and in the case of out-patients they have gone down, but overall there has been a huge increase in the number of people being treated, thanks to the extra resources we have put into the national health service, which Labour would have denied it.

On planning, the right hon. Gentleman will know that there is a document out for consultation, the national policy framework consultation, which ends next month. In the meantime, discussions are being held with the National Trust and others. He will have read the article by my right hon. Friends the Chancellor and the Secretary of State for Communities and Local Government, which made it absolutely clear where we stand on planning.

On Bombardier, the right hon. Gentleman will know that the tender process was initiated and designed by his Government. We used the criteria they set out to assess the tender, and on those criteria it would clearly benefit passengers and taxpayers to allocate the tender to Siemens. I was pleased to see that some 2,000 jobs will be created in this country by Siemens doing part of the work here.

On Steve Hilton, I am happy to say that he is a fellow cyclist, and therefore I am normally happy to defend what he says, but at the end of the day I have to say to the right hon. Gentleman that it is Ministers who make policy, not special advisers.

Mr Greg Knight (East Yorkshire) (Con): Can the Leader of the House tell us why in the near future we are to go through the ridiculous ritual of putting our clocks back by one hour, thereby plunging parts of the country into darkness by mid-afternoon? Can we have a statement on what the Government intend to do to make better use of daylight hours? If, as I suspect, the only opponents of change are a handful of Scots, should not they be told, "Look, you've got your own Parliament, if you don't like it we'll give you the power to set your own time zone"?

Sir George Young: My right hon. Friend will know that the issue is the subject of a private Member's Bill, and I personally have form on it, in that I supported a private Member's Bill in a previous Parliament, proposing reform in that direction. I am not sure whether he was in Culture, Olympics, Media and Sport questions, when my hon. Friend the Member for South Thanet (Laura Sandys) raised the same issue, but in response the Under-Secretary of State for Culture, Olympics, Media and Sport, my hon. Friend the Member for Weston-super-Mare (John Penrose), spoke on behalf of the Government in advocating a slightly more cautious approach than that advocated by my right hon. Friend.

Natascha Engel (North East Derbyshire) (Lab): The Government launched the e-petitions website on the last day before the summer recess, with little consultation, debate or agreement by the House. All of us warmly welcome the e-petitions initiative, and there is clearly a public demand for it, but, although the Government have raised public expectations, they have passed responsibility for what to do with that expectation to the Backbench Business Committee.

We are delighted to be involved with the initiative, and we very much want to ensure that it is a success, but we want to make it work properly and meaningfully. The problem—and I address this point in part to the hon. Member for Pendle (Andrew Stephenson)—is that we cannot schedule for debate subjects raised by e-petitions unless the Government give us time to do so. Will the Leader of the House therefore meet not just me but the Chair of the Procedure Committee, the right hon. Member for East Yorkshire (Mr Knight), to discuss allocating extra time specifically to debate e-petitions in the short term, and to look at options such as setting up a dedicated e-petitions committee in the long term?

Sir George Young: I am grateful for what the hon. Lady said at the beginning about e-petitions, and for making it clear that she wants the new e-petitions website to be a successful way for people to trigger debates in Parliament. We were in fact delivering a coalition agreement in going ahead with the website, which is an improvement on the No. 10 website, in that it links into the democratic process instead of ending simply at No. 10.

I am conscious that over recent weeks and months we have not been able to allocate to the Backbench Business Committee as much time as the hon. Lady would like,

but that is due in part to the way in which the legislative programme impacts on the parliamentary Session. I very much hope that in the weeks and months ahead it will be possible to allocate more time to the Backbench Business Committee, and to give it the headroom that it needs to accommodate debates about e-petitions.

Two e-petitions have so far gone through the threshold, and in one case, as my hon. Friend the Deputy Leader of the House said in response to an oral question, the Government have responded. On Hillsborough, we have made all the papers available from the Cabinet Office to the independent panel, and we have made it clear that we have no objection to them going into the public domain, so it may be that on Hillsborough the petitioners have achieved what they wanted.

On the e-petition concerning riots, somebody may present themselves on Tuesday to the hon. Lady's salon, and I hope that in due course it might then be possible to debate the other one that has gone through the threshold.

Priti Patel (Witham) (Con): In light of the strong interest in Parliament and from the public about all matters European, will my right hon. Friend consider making Government time available for a full debate about Europe and about the repatriation of powers to Britain?

Sir George Young: I congratulate my hon. Friend on the debate, which I think she had yesterday in Westminster Hall, on precisely that subject. We did discuss at some length the European Union Bill, when there was extensive debate about the repatriation of powers, and there are fairly regular debates, thanks to the European Scrutiny Committee, on European-related issues. I cannot at this stage promise a full debate about the matters that she has raised, but I hope that the House will have an opportunity from time to time to listen to her views on Europe.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Has the right hon. Gentleman seen early-day motion 2138, which stands in my name and the names of a number of hon. Members?

[That this House notes that those in Fallowfield applying for bar staff posts at Vodka Revolution, Wilmslow Road are required to work for a full day for no pay under the practice of trying out and are promised that they will be paid if appointed, then are not appointed; believes this practice to be unethical and possibly illegal; and further believes that both potential employees and customers of Vodka Revolution, Wilmslow Road should be made aware of its policy on non-payment of those who work a trial day and are not subsequently employed.]

The motion describes how the Vodka Revolution drinking den in my constituency has the corrupt practice of telling job applicants that they should work for a day and will be paid if they are appointed, but then does not appoint them. It thereby has a stream of free labour. Will he condemn this corrupt practice by these swindlers, and will he ask the Secretary of State for Work and Pensions to investigate these disgraceful activities?

Sir George Young: I am sorry to hear about what is happening in the right hon. Gentleman's constituency. Of course I deplore any exploitation of labour of the type that he has described. I will draw the matter to the attention of my right hon. Friend the Secretary of State for Work and Pensions to see whether any effective enforcement action can be taken to stop this undesirable practice.

Bob Russell (Colchester) (LD): I encourage the Leader of the House to find time for a full debate in this Chamber on cutting the higher rate of income tax. If we are all in this together, where is the fairness to the rest of society in ensuring that Wayne Rooney gets an extra half a million pounds a year?

Sir George Young: I am grateful to my hon. Friend. He will know that issues relating to taxation are matters for the Chancellor at the Budget, and are therefore usually matters for the Finance Bill. He may have heard at Treasury questions on Tuesday the exchange in which my right hon. Friend the Chancellor made it clear that the 50% rate was temporary and subject to a review by Her Majesty's Revenue and Customs to see how much revenue it raises. That review will not be completed until early next year. I know that my right hon. Friend will take the views of my hon. Friend the Member for Colchester (Bob Russell) into account, along with others, before he comes to his Budget judgment.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Today is the launch of the It's Liverpool, I'm Liverpool campaign, which shows why the city is such a vibrant and exciting place to live, work and study. It is also the friendliest city in the country, according to a recent travellers' survey. Will the Leader of the House join me in backing the campaign, and can we have a debate on how the Government can support great British cities such as Liverpool?

Sir George Young: I endorse what the hon. Lady said about Liverpool. In a former Administration, along with my right hon. Friend Lord Heseltine, I was part of an initiative to assist Liverpool in the difficult time it went through after the riots. I applaud her campaign and will see what more can be done by my colleagues at the Department for Communities and Local Government and the Department for Business, Innovation and Skills to assist the regeneration that is under way.

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): As the Leader of the House is fully aware, the ongoing saga over village greens and the upgrading of footpaths to bridle paths is not only costing the country a massive amount of money, but causing legal hurdles that go a long way back. In Somerset, there is a 22-year waiting list to try to get these matters through. Can we please have time in this Chamber to discuss the ramifications, costs, complexity and legal ambiguities of the way in which people, with no user evidence, get bridle paths and village greens put into planning applications right across the United Kingdom, such as in Bristol where it has caused problems?

Sir George Young: I am sorry to hear of the problems in my hon. Friend's constituency and I suspect that they may be replicated elsewhere. I will certainly raise the issue with my right hon. Friend the Secretary of State

[Sir George Young]

for Communities and Local Government to see whether there is a simpler way of resolving it than the way he has just outlined.

John Cryer (Leyton and Wanstead) (Lab): Can we have a full statement on what compensation is available for businesses and organisations affected by the riots and the looting? We have had a few hints, including from the Prime Minister, but a number of businesses, including some in my constituency, face a pretty insecure future because of the looting. Can we have a full statement so that we can question the relevant Minister?

Sir George Young: Rather than a statement, I think that what we want is practical assistance for the businesses that have been affected in the hon. Gentleman's constituency. He will know that a number of funds have been set up with the specific objective of assisting firms that are in difficulties after the riots. I will draw the attention of the Home Secretary to what he has just said and see whether we can get some practical assistance to the firms that are suffering in his patch.

Christopher Pincher (Tamworth) (Con): I welcome my right hon. Friend's comments about the e-petitions initiative, but can he arrange for a statement to describe how the paper-based petitions signed by more than 100,000 people that call for a debate on High Speed 2 can be qualified as an e-petition, so that the issue might be debated in this Chamber and so that the many thousands of people who perhaps do not have access to the internet do not feel disfranchised?

Sir George Young: That is primarily a matter for the Backbench Business Committee, but my understanding is that if somebody goes along on a Tuesday morning and says that they are speaking on behalf of a petition, it will be neutral whether the 100,000 signatures are on an e-petition or an ink-and-pen petition. I am sure that the process is neutral, but it does require somebody to be present on a Tuesday morning to place the bid.

Natascha Engel *indicated assent.*

Sir George Young: I am happy to see the Chair of the Backbench Business Committee nodding in assent at the principle of the equality of treatment that I have enunciated.

Lisa Nandy (Wigan) (Lab): The House will know that 18 October marks anti-slavery day. In light of the huge public concern about modern-day slavery and, in particular, the fact that more than 735,000 people in this country have recently called on the Government to implement a system of guardianship for child trafficking victims, does the right hon. Gentleman agree that this is an important and appropriate occasion for Ministers to come before the House, respond to the petition and set out their position on child trafficking?

Sir George Young: The Government are firmly opposed to child trafficking. I will certainly contact the Home Secretary to see whether we need to make yet further progress. We have had debates on anti-slavery days in previous years that have been well attended and well supported. The Backbench Business Committee might like to consider such a debate as an option for October.

Mr Tobias Ellwood (Bournemouth East) (Con): Will the Leader of the House join me in paying tribute to Flight Lieutenant Jon Egging, the RAF Red Arrows pilot who sadly lost his life after the air show in Bournemouth on 20 August? Rather than eject from his stricken aircraft, he was able to manoeuvre it away from a built-up area—an action that probably cost him his life. He will be missed by his family, his friends, the RAF community and indeed the nation.

Sir George Young: I am sure that the whole House will associate itself with the tribute that my hon. Friend has paid to Jon Egging, who sadly lost his life a few weeks ago. In addition to his work for the Red Arrows, he saw active service in Afghanistan, which I think should also be remembered.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Will the Leader of the House set the Bombardier decision in context? There seems to be no apparent manufacturing plan or strategy for this country. Manufacturing is still vital to our well-being and future, but there is no sign that this Government understand that a long-term strategy for manufacturing is essential.

Sir George Young: I dispute what the hon. Gentleman has just said. He may have seen the evidence given by the Transport Secretary yesterday. It was the criteria set by the previous Government that led to this conclusion. The Secretary for State for Business, Innovation and Skills is now looking at the whole design of tender documents to see whether they can be in any way adjusted so that the sorts of considerations that the hon. Gentleman wants to be taken into account can be taken into account, perhaps in the way that other countries seem to be able to do.

Dr Julian Lewis (New Forest East) (Con): The privately owned port of Liverpool received more than £20 million of public money from this country and Europe to develop a cruise liner terminal, with the explicit provision that cruises should not start or end there, but only call there. It now proposes to repay a quarter of this sum over 15 years if the provision that it cannot have a turnaround facility is lifted. That would adversely affect the port of Southampton. May we have a statement from a Transport Minister on what seems to be a calculated case of unfair competition now that it has been revealed that Liverpool city council planned from the outset to get the port built and then renege on the condition on which it was being done?

Sir George Young: I understand my hon. Friend's concern on behalf of the port of Southampton. He will know that a consultation exercise is currently being carried out by the Department for Transport on the proposal to allow turnaround cruises, to which he has just referred. The consultation closes on 15 September. If he wants to respond, his views will be taken into account along with those of other respondents.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): During the summer, the Department for Work and Pensions sneaked out direction 23 on the operation of crisis loans. It specifically excludes any claims by parents to help towards the purchase of school uniforms and simple school equipment such as pencils and pencil cases. Was that discussed with the Department for Education, and what is the view of the Leader of the House?

Sir George Young: I think that I am right in saying that crisis loans cannot be used for school uniforms, but I will draw the attention of my right hon. Friend the Secretary of State for Education to the hon. Gentleman's concerns.

Kris Hopkins (Keighley) (Con): On 30 September we will see the start of the 2011 Ilkley literary festival. [HON. MEMBERS: "Hear, hear!"] Thank you. May we have a debate on the positive impact of such highly successful festivals in bringing the pleasure of reading to young people?

Sir George Young: I congratulate my hon. Friend on drawing the House's attention to this. I hope that he might submit an entry to the festival so that his work can be considered along with that of others. I applaud the work of his constituents, and his own work, in taking steps to promote and drive up standards of literacy in this country.

Paul Goggins (Wythenshawe and Sale East) (Lab): Will the Leader of the House make arrangements for an urgent statement from the Housing Minister on the consequences for social housing tenants of the Government's new rules on under-occupancy? In Manchester on 1 April 2013, 14,000 families will either have to find a smaller home or pay up to £18 a week more towards the cost of their rent. As a highly regarded former Housing Minister himself, the right hon. Gentleman will recognise that this is not only unjust but unworkable.

Sir George Young: I have looked at the copy of *Inside Housing* where the survey that the right hon. Gentleman carried out in his constituency was reported and given some prominence, and I read the article. I will convey his concerns to the Housing Minister so that he can be aware of the possible impact of the change in the rules and the introduction of the cap and see whether any additional measures are necessary on top of the ones we have already put in place.

Andrew Percy (Brigg and Goole) (Con): In 2010, 27,500 crimes were committed by EU nationals. In response to a parliamentary question, it emerged that only 1,400 of those were sent home, with many having agreed to go. Is it not time that we had a debate not only on the free movement of labour but on how we, as a country, treat foreign nationals who come to this country and commit crimes and whom we allow to stay living in this country?

Sir George Young: I think I am right in saying that my hon. Friend the Minister for Immigration has taken steps and we are now increasing the number of people repatriated after committing crimes. However, I will draw my hon. Friend's remarks to the Minister's attention to see whether there is further action that we might take.

Barry Gardiner (Brent North) (Lab): After months of campaigning, only two of the big six energy companies are still maintaining the practice of cold sales on the doorstep. Will the Leader of the House find time for a debate so that Parliament can put real pressure on E.ON UK and Scottish Power, which are being so recalcitrant over this important issue?

Sir George Young: I am grateful to the hon. Gentleman for raising the profile of this issue. I will certainly see what action can be taken further to discourage the sort of cold-selling tactics that he has outlined, and I will ask my right hon. Friend the Secretary of State for Energy and Climate Change to write to him.

Gavin Barwell (Croydon Central) (Con): Croydon college in my constituency has formed a partnership with the university of Sussex and is looking for accreditation as a university centre so that young people from across south London can study for a good degree, while living at home, for fees much lower than most universities are charging. May we have a debate on what more we can do to ensure that young people from deprived backgrounds continue to have access to university?

Sir George Young: I am grateful to my hon. Friend. It is appalling that of the 80,000 pupils eligible for free school meals, only 40 went to Oxbridge. We are committed to enabling more people from poor and disadvantaged backgrounds to get to university by raising the maintenance grant, introducing a new national scholarship programme, and making the graduate repayment scheme much more progressive. On top of that, we are writing to sixth-formers to draw attention to the financial support that is made available to students. I hope that we can improve on the figures that I mentioned.

Mr John Spellar (Warley) (Lab): Yesterday the Prime Minister told us that the extra cost of moving the election of police commissioners to November would be £25 million, yet on Tuesday, Lord McNally, in a reply to Lord Grocott, said that the cost of the alternative vote referendum, held on the same day as other elections across wide areas of the country, was £89 million—and that is without the cost that falls on the Electoral Commission. May we have a statement to clarify the real cost of this ridiculous November election and whether it will be borne by central Government and not fall on hard-pressed local councils?

Sir George Young: The election for police and crime commissioners is England-only, whereas the other referendum was nationwide. The £25 million figure is the correct one. As the Prime Minister said yesterday, the cost of this will not come out of the police budget.

Bob Blackman (Harrow East) (Con): Last month, I had the privilege of joining the Metropolitan police on active patrol, and that increased my admiration, which was already great, for the sterling work that the police force does on a day-to-basis to keep us safe. May we have a statement on the impact on the Metropolitan

[Bob Blackman]

police of the work that has had to be done since the riots? My understanding is that they have been doing constant 12-hour shifts with no rest days and all leave cancelled. The bill for that has come to some £62 million already, and the impact on police morale is dramatic. It is essential that we ensure that that money is paid for by the Government and not by London council tax payers, and that we lessen the load on the Metropolitan police.

Sir George Young: My hon. Friend will know that a Select Committee inquiry into the riots is going on; my right hon. Friend the Home Secretary gave evidence to it today. We have made it clear that we will support the police regarding the additional costs they face to ensure that front-line services are not hit. I will pursue with the Home Secretary the specific issue that my hon. Friend has mentioned of the impact on London.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): The Leader of the House will know that today the Deputy Prime Minister slipped out a written ministerial statement on the establishment of a commission on the West Lothian question; this was presumably to pre-empt the private Member's Bill that will be debated tomorrow. Given the importance of this issue for Members across the House and in all parts of the UK, may we have an oral statement on the Government's intentions and thoughts behind that commission rather than leaving it to some kind of backroom deal between the Government and a rebellious and recalcitrant Back Bencher with a private Member's Bill? This is an important issue for all of us and I hope that the Leader of the House can do something about it.

Sir George Young: Written ministerial statements are not slipped out; they are put on the Order Paper and they are in the public domain for everyone to see. This one delivers on a commitment of the coalition Government to establish a commission to look at the West Lothian question, and it should have come as no surprise to the hon. Gentleman that we are taking it forward. If he looks at the WMS, he will see the timetable envisaged by my right hon. Friend in announcing its membership and terms of reference, as well as the time scale in which it will report. I hope that the hon. Gentleman might feel minded to give evidence to the commission when it is set up.

Mr Matthew Offord (Hendon) (Con): Given that local authorities are currently preparing their electoral registers for the forthcoming year, will the Government make a statement to address the problem of individuals who make multiple applications at different addresses by registering at a property they own but at which they do not reside, even when the property is occupied by others who are legitimately registered?

Sir George Young: It is an offence to provide false information to electoral returning officers, and if that happens I hope they would pursue it. As my hon. Friend will know, we are introducing individual electoral registration, which will reduce the opportunity for fraud because people will have to provide some evidence of identity before they are added to the register. I hope that that will reduce the sort of practices to which he refers.

Clive Efford (Eltham) (Lab): Further to the answer that the Leader of the House gave to my right hon. Friend the Member for Warley (Mr Spellar), we know that the moving of the elections of police commissioners to November is going to cost an enormous sum of money. May we have a statement on how the Government reached the decision to make this amendment to the proposal in the Police Reform and Social Responsibility Bill? We are told that that was done to appease Liberal Democrat councillors. If that is how the Government are making decisions and wasting public money, is it not a matter that should be discussed on the Floor of the House?

Sir George Young: Of course it is. That is why the Government have tabled an amendment to the Bill that will be debated on Monday.

Henry Smith (Crawley) (Con): You will be aware, Mr Speaker, that this year the Royal Mint is striking a commemorative coin to celebrate the 400th anniversary of the publication of the King James Bible, yet, unlike many other commemorative coins, it will not be available in general circulation. Obviously there are many different and varied religious faiths, but the Bible's publication represents a significant point in the history of the English-speaking world. Can representations be made from the Government to the Royal Mint?

Sir George Young: I understand my hon. Friend's concern. I will raise this with the Chancellor of the Exchequer, whom I suspect has overall responsibility for it, and ask him to write to my hon. Friend with a response to his representations about making the coin legal tender.

Andrew Miller (Ellesmere Port and Neston) (Lab): You are aware, Mr Speaker, that sometimes in this House wheels grind extremely slowly, but I was delighted to see that action had been taken on an early-day motion that I tabled in July 1996 followed by a number of letters, including to your good self. Will the Leader of the House congratulate those involved, including Bob Hughes, who is now in the House of Lords, my hon. Friend the Member for Aberdeen North (Mr Doran), Mr Speaker and all those involved on getting a commemorative plaque for Nelson Mandela in Westminster Hall? It is absolutely right that we commemorate the visit to this place of the greatest statesman of our time.

Sir George Young: It sounds to me that that was a matter for the House rather than the Government, but the gestation period does seem to have been extremely long.

Kwasi Kwarteng (Spelthorne) (Con): Given the successful roll-out of free schools, would it not be opportune for the House to discuss the free school programme shortly?

Sir George Young: I welcome the fact that within a relatively short time some 24 free schools are up and running, given that the legislation only hit the statute book in July last year. That compares favourably with

city technology colleges and academies, and many more free schools are in the pipeline. I hope that there will be opportunities to take the debate forward, perhaps in Westminster Hall, so that we can tell more people about the success of free schools. Some of them have been established in the teeth of local resistance.

Julie Hilling (Bolton West) (Lab): As President Obama promised that Palestine would be a new member of the United Nations by this September, may we have a debate on Palestine's application for membership before the UK casts its vote, so that we can show our overwhelming support for a yes vote?

Sir George Young: I understand that there was a debate in Westminster Hall on Tuesday on precisely that matter, so I do not think it would necessarily be the best use of time to have yet another debate when we have already had one this week.

Robert Halfon (Harlow) (Con): May we have a statement about equal rights for parents? Two Harlow residents, Mr Colin Riches and Mr Neil Colley, have been affected by the inequality in the law which means that fathers do not have the same custody rights as mothers. They have started an e-petition to get the matter looked at. Does my right hon. Friend agree that the rules can be deeply unfair for families?

Sir George Young: I know from my own constituency cases that many parents feel that the courts have acted against their best interest in decisions about the allocation of responsibility for children. At the end of the day it is a matter for the courts, but I will raise with my right hon. and learned Friend the Lord Chancellor the question of whether we need to look again at the legislation.

Mr Dave Watts (St Helens North) (Lab): Mr Broughton, one of my constituents, worked all his life until he had a stroke. He now suffers from angina, blocked arteries, heart disease, hypertension, chronic kidney failure, arthritis, diabetes and other illnesses, yet when his assessment was done he was found to be ready for work. May we have a debate and discussion on why there is such a shambles in the Government's medical assessments?

Sir George Young: The hon. Gentleman will know that there is an opportunity to appeal against work assessments, and that we have instituted one review and another is under way to examine all the processes and ensure that we get them right. I am sure the chairman of the review process will take on board the comments that he has just made.

Neil Carmichael (Stroud) (Con): Many of my constituents are very irritated with banking charges, chiefly because they are usually applied when they are in difficulties. They are also concerned about the length of time that it takes cheques to clear. Can we discuss these issues in due course, especially in the light of the Vickers report, which is imminent?

Sir George Young: I am grateful to my hon. Friend. He will know that there is a commitment in the coalition agreement to introducing stronger consumer protection, including measures to end unfair banking and financial transaction charges. That is being taken forward in a review by the Department for Business, Innovation and Skills and the Treasury and, in July, they published the evidence that they had called for.

On cheques clearing faster, my hon. Friend will know that we now have instant banking, with money transfers taking place almost instantaneously. However, following the decision that cheques will not be withdrawn, the Payments Council is considering the options for speeding up cheque payments, which I hope will deal with the issue that he raises.

Mrs Siân C. James (Swansea East) (Lab): Is the Leader of the House aware of the problem of telephone cold-calling that offers same-day loans? It appears to have overtaken loan sharking in parts of my constituency and to be targeting those who have lost their jobs or who are not able to raise loans through the normal channels of the banking system. Will he issue a statement on the matter?

Sir George Young: I am sorry to hear about the practice that the hon. Lady refers to. I will draw it to the attention of the Under-Secretary of State for Business, Innovation and Skills, my hon. Friend the Member for Kingston and Surbiton (Mr Davey), who has responsibility for consumer protection, and ask him to write to her outlining the steps that the Government believe can be taken to stop that practice.

Andrew Stephenson (Pendle) (Con): During the past year I have met two teachers in Pendle who have been assaulted while at work and, across the UK, 44 teachers have had to be rushed to hospital in the past year for serious injuries resulting from violence. Will the Leader of the House grant us a debate on school discipline?

Sir George Young: My hon. Friend will know that every day, some 900 pupils are excluded from school for the type of behaviour to which he refers. He may have seen the speech recently made by my right hon. Friend the Secretary of State for Education setting out steps to restoring discipline in schools, including removing the requirement that teachers should keep a record of each time they use physical restraint, overhauling the rules on physical contact to make it clear that schools should not have a no-touch policy and stopping the requirement for teachers to give 24 hours' notice before issuing a detention. I hope that that will begin to address the problem that my hon. Friend describes.

Ian Lavery (Wansbeck) (Lab): The Leader of the House will be fully aware that the Palestinian authorities are applying for membership of the UN later this month. Will the Government make a statement fully supporting the Palestinian people in their efforts to become a member of the UN?

Sir George Young: Again, I have to say that on Tuesday there was a debate in Westminster Hall on UN membership of a Palestinian state, in which the Minister who replied will have set out the Government's position. I do not think another debate so soon after that one would be the best use of parliamentary time.

Mr Philip Hollobone (Kettering) (Con): Everyone wants the e-petitions scheme to be a success, but according to today's Order Paper the Backbench Business Committee

[Mr Philip Hollobone]

has only five days to allocate in the six months between now and the end of the Session, at the end of March 2012. Does the Leader of the House realise that if the scheme is to be a success, he simply needs to allocate more days?

Sir George Young: I have said on an earlier occasion that whereas we are committed to 35 Backbench Business Committee days in a normal Session, because this Session is longer and will run on until next spring there will be more than 35. I also said in response to the hon. Member for North East Derbyshire (Natascha Engel), who chairs the Committee, that we hope in the next few weeks and months to be able to allocate more days than we have been able to in the past few weeks and months. As the bulk of the legislative programme passes through the House, that will free up more time for the Backbench Business Committee.

Jim McGovern (Dundee West) (Lab): May we have a debate on the subject of Government support for the computer games industry? As I am sure the Leader of the House is aware, calls for more Government support, not only from the industry itself but from Committees of the House, are continuing to increase. Such a debate would allow us to discuss ways of improving support, for example tax incentives and increasing the scope of the small firms research and development tax scheme, which would help companies in my constituency go from strength to strength.

Sir George Young: I agree with what the hon. Gentleman says, and it is an industry in which this country has a competitive advantage, with many of the market leaders. He may like to apply for a debate in Westminster Hall or on the Adjournment, so that he can make his case and then listen to the steps that the Government are already taking to assist that innovative industry.

Mr Peter Bone (Wellingborough) (Con): The Government are taking us back to the time of Wilberforce and should be congratulated. Then, mass petitioning was how the public influenced Parliament, and now e-petitions will be. However, may we have a statement from the Leader of the House next week on e-petitions? There is misunderstanding of how the system is working. The Backbench Business Committee did consider e-petitions this week, but not a single Member was there at our public session to promote any e-petition.

Sir George Young: My hon. Friend has performed a service in reminding everybody that in addition to a petition getting 100,000 signatures, somebody needs to go along on a Tuesday morning on behalf of the 100,000 petitioners. That may not have been fully understood. I suspect that by next Tuesday it will have been, and that Members may present themselves and ask for a debate on the two subjects in question.

Graham Jones (Hyndburn) (Lab): May we have a debate on the alternative vote? It appears that having lost the referendum, the Government seem to be sneaking it in by the back door for the election of police and crime commissioners.

Sir George Young: We will have a debate on the matter on Monday when we debate the very Bill that introduces police and crime commissioners. I do not understand this idea that we are using the back door, because it is in the Bill. There is nothing underhand about it at all; it is all in the public domain.

Alun Cairns (Vale of Glamorgan) (Con): The deficit reduction plan is a key priority for the Government. Will the Leader of the House agree to a debate on the progress that has been made? Does he accept that history is extremely effective in contributing to such a debate? Will he time the debate so that it comes out after the political memoirs?

Sir George Young: There is a lot of advice floating around on how one reduces the deficit, but I thought that the previous Chancellor put it well in his memoirs when he said that Labour had no credible policy. Nothing has changed since he made that particular pronouncement.

Ian Murray (Edinburgh South) (Lab): Dynamic Advertising in my constituency is threatened with closure due to the loss of a £90,000 contract with the Highways Agency. That was a result of a Government moratorium on spending in those departments. How can the Government promote a jobs and growth agenda by putting such small businesses out of business? May we have an urgent debate on flatlining growth and the consequences for the small business sector?

Sir George Young: Of course, I am sorry to hear of any loss of jobs in the hon. Gentleman's constituency, but he should recognise that even if his party had won the last election, it would have had to make difficult decisions on public expenditure. There is no guarantee at all that, if his party had won the election, the Highways Agency would have been able to continue spending at the level that had been planned.

Martin Vickers (Cleethorpes) (Con): Despite recent media coverage, planning law has always had a presumption in favour of development. However, economic development in my constituency is being stifled by Natural England, which seems to presume against development. This matter cannot wait for the current consultation and any changes, so may we have an urgent debate on it?

Sir George Young: As a former planning Minister, I have some familiarity with the planning system. In 1990, the system was changed to a presumption in favour of the plan in order to introduce certainty into the system, and I believe that that remains the case.

What comes out of the recent debate in the press is the importance of local authorities having a local plan, so that there is some certainty on which areas are designated for development and which are not. The allegation is that if there is no plan, there will be a free-for-all, but that is simply not the case. Authorities must continue to abide by the national policy framework, which gives specific protection to the green belt, areas of outstanding natural beauty and sites of special scientific interest. Although I cannot find time for such a debate, I would welcome one in order to put to bed some of the myths that are flying around.

Mr Andrew Love (Edmonton) (Lab/Co-op): Following on from my hon. Friends the Members for Wansbeck (Ian Lavery) and for Bolton West (Julie Hilling), may I ask the Leader of the House whether he has seen early-day motion 2135, which is signed by 60 Members from both sides of the House, and which calls on the Government to support Palestine's membership of the UN?

[That this House recalls the target set by President Obama last year of welcoming 'a new member of the United Nations - an independent sovereign state of Palestine' by September 2011, a target also endorsed by the EU and the Quartet; notes that the World Bank, International Monetary Fund, United Nations and EU have all reported that Palestine is ready for statehood; recalls that Palestinian negotiators entered talks with Israel and offered substantial concessions; regrets that talks broke down because of Prime Minister Netanyahu's refusal to extend even a partial freeze on illegal settlement-building; further notes that Palestinians have recognised Israel since 1993 despite Israel's refusal to recognise a Palestinian state; further notes that 122 countries with nearly 90 per cent. of the world's population now recognised Palestine and even among Israelis 48 per cent. support recognition and only 41 per cent. oppose; and concludes that the way forward is to recognise an independent Palestinian state alongside Israel and support its admission to the UN because this will be the most effective guarantor of a resumption of negotiations and will also be the best protector of the rights not only of Palestinians in the Occupied Territories, but also of Palestinians living in Israel and of Palestinian refugees abroad.]

The Leader of the House mentioned earlier an Adjournment debate on Tuesday, in which the Government Minister said that the Government reserved their position on the question of Palestinian membership. This matter is being dealt with by the UN later this month, so it is of some urgency. May we have an urgent debate or a statement so that the Government can take the temperature of the House on the need to support Palestine's membership?

Sir George Young: The Government took the temperature of the House in that debate. I suspect that if there were another debate, the answer from the Minister would be the same. There is an opportunity on 25 October at Foreign and Commonwealth Office questions to raise that issue again, and I hope the hon. Gentleman takes it.

Albert Owen (Ynys Môn) (Lab): May I probe the Leader of the House once more for a debate in Government time, or indeed a statement by the Secretary of State for Energy and Climate Change, on the massive hike in energy prices—gas and electricity—for every household in the country? I welcome this and the previous Government's social tariffs, but they have been wiped out by the massive increases. Five of the six last increases were in double digits. May we have a statement? The Prime Minister has said that he wants to curb excessive price increases, so may we have an opportunity for the Government to make their position clear?

Sir George Young: I hope that there will be exactly such an opportunity next Wednesday, when we debate the Energy Bill.

Grahame M. Morris (Easington) (Lab): May we have a statement or an urgent debate on access to cancer services? I understand that the Department of Health published a report on its website on 19 August that contained some specific recommendations. Such a debate would be opportune, given that out of 28 cancer networks, the North of England Cancer Network figures worst in terms of access, and has the seventh highest incidence of newly diagnosed cancers—Yorkshire is 27th. It would be useful if we could have a statement or debate on that.

Sir George Young: The Government's view is that those who are recommended by their general practitioner to have a scan for cancer should have it as quickly as possible, and that any subsequent treatment should also take place as quickly as possible. I shall raise with the Secretary of State for Health the particular problem that the hon. Gentleman outlines and will ask my right hon. Friend to write to him.

Bill Esterson (Sefton Central) (Lab): The Government's latest plans to reorganise the coastguard accepts the importance of local knowledge in retaining 24-hour coastguard stations. The closures of Crosby in my constituency and of Clyde leave the whole north-west of England and west of Scotland coastlines without a single coastguard station. Will the Leader of the House urge the Secretary of State for Transport to reconsider the closures at Crosby and elsewhere before it is too late, because of the importance of local knowledge?

Sir George Young: There will be an opportunity a week today for the hon. Gentleman to raise his concerns with the Secretary of State for Transport, who will be at this Dispatch Box. The hon. Gentleman can ask my right hon. Friend whether he is prepared to consider that proposition.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Is the Leader of the House aware that this week is the 20th anniversary of the ceasefire in the Western Sahara? Will he consult Ministers and seek time for a statement or debate on the UK's position on resolving that conflict, and on how the Sahrawi can see justice sooner rather than later, rather than wait another 20 years?

Sir George Young: I understand the hon. Lady's concern and I am grateful to her for raising it. I shall ask the Foreign Secretary to write to her to respond to her question to see whether we can make some progress on this important issue.

Nic Dakin (Scunthorpe) (Lab): In July, an answer to a written question made it very clear that officials in the Department for Education should not use Hotmail addresses to contact schools that were going for academy status. However, a press report last month said that that was happening. May we have a statement on what is actually going on?

Sir George Young: There will be an opportunity on Monday 17 October, but that seems a little far away, so I will ask the Secretary of State for Education to write to the hon. Gentleman to clarify that matter.

Pat Glass (North West Durham) (Lab): The Leader of the House responded to the hon. Member for Pendle (Andrew Stephenson) by referring him to a speech by the Secretary of State for Education. The Leader of the House spoke of the formal recording of restraint of, and use of force against, pupils in schools. He is clearly not aware that the Secretary of State for Education made a written statement to the House on Monday in which he made it clear that he no longer requires schools formally to record the use of restraint and force against pupils in schools. Clearly, one hand of the Government does not know what is happening on the other. May we have an urgent debate, so that we can know the Government's position on the use of restraint and force against pupils in schools?

Sir George Young: As I said a few moments ago, my understanding is that the Secretary of State has removed the requirement that teachers should keep a record of each time they use physical restraint on pupils as part of the initiative to rebalance discipline in the class, and to give teachers more authority. The Secretary of State will have seen this exchange, and if by any chance I have not set out the position accurately, I know that he will write to the hon. Lady.

Thomas Docherty (Dunfermline and West Fife) (Lab): Further to the earlier exchange on Backbench Business Committee time, the Leader of the House will be aware that a huge number of Select Committee reports, including a Procedure Committee report, must be debated in the Chamber. Will he ensure that if additional time is found, it will also be made available for Select Committees?

Sir George Young: The hon. Gentleman will know that the Liaison Committee has its own quota of time for debates, which sits alongside the time available to the Backbench Business Committee. His remarks should therefore be addressed to the Chairman of the Liaison Committee, who allocates debates of Select Committee reports.

Diana Johnson (Kingston upon Hull North) (Lab): Last week, I spent two days with Hull Churches Home from Hospital Service, a wonderful organisation that provides support to patients, families and carers. May we have a debate in Government time on the role of such organisations, and on how we can secure their support during the chaos of the NHS reforms?

Sir George Young: I hope that the extra resources that the Government are putting into the NHS will mean that the more dramatic scenario that the hon. Lady paints will not take place. I would welcome such a debate, and perhaps she should like to apply for a debate on the Adjournment so that we can hear more about the heroic work that is being carried out.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): May we have a Government statement on the status of Her Majesty's Revenue and Customs' change plan? A year after the spending review, the 500 staff in the Cumbernauld HMRC office remain in the dark about the impact of HMRC cuts on their jobs.

Sir George Young: There was an opportunity on Tuesday to ask Treasury Ministers about the future of the staff at Cumbernauld, but I will raise that issue with the Financial Secretary to the Treasury, and ask him to write to the hon. Gentleman.

Mr Speaker: I must thank the Leader of the House and point out to colleagues that in 44 minutes consumed by Back Benchers in business questions, 51 had the opportunity to question and receive an answer from the Leader of the House. I thank him and all colleagues for their extreme succinctness and self-discipline.

Baha Mousa Inquiry

12.30 pm

The Secretary of State for Defence (Dr Liam Fox): With permission, Mr Speaker, I would like to make a statement on the report into the death of Mr Baha Mousa in Iraq in 2003. In any conflict, no matter what the reason for our country's involvement and no matter how difficult the circumstances, what separates us from our adversaries are the values with which we prosecute it and the ethics that guide our actions. To represent Britain, in war as well as in peace, is to represent our inherent democratic values, the rule of law and respect for life. When those values are transgressed, it is vital that we get to the bottom of what has happened, are open about the issues and their causes, ensure that what reparations we can make are made and do all that we can to prevent it from happening again. Only in that way can we ensure that those values hold firm in how we think of ourselves and in how others perceive us.

I am today laying before the House the independent report published this morning by Sir William Gage as chairman of the public inquiry into the circumstances surrounding the death of Mr Baha Mousa in Iraq in 2003. I am grateful to Sir William and his team, who have produced a report that is sober, focused and detailed. Above all, I believe it to be both fair and balanced. It is, however, a painful and difficult read. As the report sets out:

> "Baha Mousa was subject to violent and cowardly abuse and assaults by British Servicemen whose job it was to guard him and treat him humanely".

That was the primary cause of his death. The inquiry was rightly set up in 2008 by the previous Government with the intent of shining a spotlight on the events surrounding the death of Baha Mousa and to provide the most definitive account possible in the circumstances. It does that comprehensively. What happened to Baha Mousa and his fellow detainees in September 2003 was deplorable, shocking and shameful. The Ministry of Defence and the Army have previously made a full apology to the family of Baha Mousa and to his fellow detainees and have paid compensation to them.

We can take some limited comfort that incidents like this are extremely rare, but we cannot be satisfied by that. Given the seriousness of this case, there is a series of questions that I have asked myself and that other Members will ask too. Among these are: who was responsible and what happened to them as a consequence? What action has been taken to prevent a recurrence? Do we have the right protection in place today in Afghanistan? And, of course, how will the Government respond to the recommendations made in the report? On responsibility, the report makes clear the extent of the failings of individuals, the MOD and the armed forces at the time and in earlier years. In addition to the shocking displays of brutality for which individuals were responsible, it is also clear that there were serious failings in command and discipline in 1st Battalion the Queen's Lancashire Regiment. There was a lack of clarity in the allocation of responsibility for the prisoner-handling process, and sadly, too, there was a lack of moral courage to report abuse. However, it must be acknowledged that a small number behaved with both integrity and courage in reporting what they had witnessed. They are examples of how others should have behaved.

Wider than the battalion, there were also deficiencies in policies, orders and training relating to detention at that time. The chairman noted that there was inadequate doctrine on prisoner handling and a "systemic failure" that allowed knowledge of the prohibition on abusive techniques put in place by the Heath Government to be lost over the years. The report also confirms that the Army was underprepared for the task of handling civilian detainees, having expected after the end of war-fighting to provide humanitarian aid rather than become involved in counter-insurgency activities.

Since this incident in 2003, six different Defence Secretaries have stood at this Dispatch Box. I am sure that they all regret that it has taken so long to get to the bottom of what happened and that even now the refusal of some involved to tell the whole truth means that it has not been possible to establish the full extent of the culpability of individuals. Their behaviour is a matter for their own consciences, but others must take responsibility for the wider failures and deficiencies, and this report does not mean that our investigations of mistreatment of detainees are over. The evidence from the inquiry will now be reviewed to see whether more can be done to bring those responsible to justice. It would therefore not be appropriate to comment in the House on specific individuals and their role in this appalling episode.

I have asked the Chief of the General Staff, where individuals are still serving, to consider what action is necessary to ensure that the Army's ethical standards are upheld. That is occurring through the chain of command as we speak. The investigations of the Iraq historic allegations team, which started work last November, are now well under way and are revealing evidence of some concern. It is too early to comment on what the conclusions of the IHAT investigations might be, but cases will be referred to the Director of Service Prosecutions, if and when there is sufficient evidence to justify that.

Since 2003, action taken by the MOD and the Army to address failings as they were identified has touched every aspect of the prisoner-handling system, from policy and doctrine to ground-level directives, as well as training and oversight. The changes wrought have been fundamental. The Army Inspector's report in 2010, validated by an independent expert adviser, is one example of the detailed scrutiny applied to the training and doctrine for handling detainees. I assure the House that there is a commitment to continuous improvement at all levels inside and outside the armed forces.

As the report acknowledges, further positive changes have been made as a result of matters that emerged from evidence heard during this inquiry's final module—module 4—which was a thorough scrutiny of our current detention policies, practices and training. The Minister for the Armed Forces and I take a close personal interest in detention matters in Afghanistan, and I am confident that our approach to detention there has improved markedly since the period rightly criticised in this report. However, we are in no way complacent about the issues identified by Sir William, and I can inform the House that I am accepting in principle all his recommendations with one reservation. It is vital that we retain the techniques necessary to secure swiftly, in appropriate circumstances, the intelligence that can save lives. I am afraid that I cannot accept the recommendation that we institute a blanket ban, during tactical questioning, on the use of certain verbal and non-physical techniques.

[Dr Liam Fox]

I share some of Sir William's concerns, however, so I have asked the Chief of the Defence Staff to ensure that that approach is used only by defined people in defined circumstances.

Between 2003 and 2008, 179 British personnel were killed in Iraq serving their country, and many more returned injured. In autumn 2003, 1st Battalion the Queen's Lancashire Regiment faced an immensely difficult challenge as it attempted to bring law and order to a large area that had been subject to a brutally oppressive regime for many years. As Sir William acknowledges, the issues addressed in his report

"need to be understood in the operational context in which they occurred: the tempo of operations; the poor state of the local civilian infrastructure; a daily threat to life from both civilian unrest and an increasing insurgency; the deaths of fellow service personnel and incessant oppressive heat. In combination these factors made huge demands on soldiers serving in Iraq in 2003."

There are few of us sitting in the comfort of the House of Commons who can claim to understand what that must have been like. However, the vast majority of armed forces personnel faced these same challenges and did not behave in the way outlined in this report. They represent the fine ethical values found day in and day out in our armed forces, and we must not allow the unspeakable actions of a very few to damage the reputation of the whole.

I want to make it clear that Baha Mousa was not a casualty of war. His death occurred while he was a detainee in British custody. It was avoidable and preventable, and there can be no excuses. There is no place in our armed forces for the mistreatment of detainees, and there is no place for a perverted sense of loyalty that turns a blind eye to wrongdoing or erects a wall of silence to cover it up. If any serviceman or woman, no matter the colour of uniform that they wear, is found to have betrayed the values this country stands for and the standards that we hold dear, they will be held to account. Ultimately, whatever the circumstances, rules or regulations, people know the difference between right and wrong. We will not allow the behaviour of individuals who cross that line to taint the reputation of the armed forces, of which the British people are rightly proud. I commend this statement to the House.

Mr Jim Murphy (East Renfrewshire) (Lab): I thank the Secretary of State for a strong statement. The whole House will welcome the way in which he is personally dealing with this difficult matter. I also welcome his courtesy in this morning allowing me early sight of the 1,400-page report into this horrific incident. It is a shocking episode, from which we must learn serious and lasting lessons. We all feel profound regret at the loss of Mr Baha Mousa's life in British Army custody. His death in itself is tragic; that it appears that there was a cover-up afterwards compounds that tragedy. It is essential that our armed forces take responsibility for all actions committed during conflict. Our strength relies not only on our firepower, but on the standards and ethics that we uphold and on which we pride ourselves. This incident is a brutal violation of those standards.

Like the Secretary of State, I want to make it clear that although the report is damning about the actions of some in the Army in 2003, it is not a reflection of our armed forces in general. It is important that those in our forces hear that we remain proud of their bravery and professionalism, whether they are the 100,000 soldiers who previously served in Iraq in the recent past or those in Afghanistan or Libya operations today. All too many among their number have lost their lives or been injured to have their reputations attacked in that way. In Afghanistan, it is essential not only that our forces know that we are proud of their behaviour, but that Afghan civilians hear it loudly, too.

I would like to put on record my thanks to Sir William Gage and his inquiry team for their report, which is both forensic and frightening. It now seems clear that perhaps as many as two dozen members of the Army, including some in the chain of command, knew about the 93 injuries inflicted during those 36 hellish hours. The Secretary of State has outlined the details of the events, but it is deeply worrying that it now seems clear that there was a failure in the Army's justice system, including in the court martial and the chain of command, and that incomplete assurances were given to Ministers.

It is right that politicians should avoid interfering in the criminal justice system in general and in military justice processes specifically, but that is sustainable only where the processes work and are demonstrated to be working. The report finds that multiple assaults took place in a confined space, including by senior NCOs, and that there was a

"loss of discipline and lack of moral courage"

to report the abuse. In accepting today's recommendations, it is crucial that the Government take forward the proposal that those service personnel who reported abuse or who make complaints against their peers about the mistreatment of captured personnel should be afforded protection.

The report raises some serious questions; I wish to address just three, one of which the Secretary of State has already anticipated. He has stated that he accepts all but one of the 73 recommendations. He intends to retain the right to exercise the harsh approach in tactical questioning. There will be concerns in the House and elsewhere about that, so can he share further with the House the details as to why he wishes to retain the ability to enforce the harsh approach?

Secondly, the Secretary of State mentioned this in passing, but back in 1972, Ted Heath banned the use of the five techniques used in Northern Ireland during internment. Those techniques returned, despite being prohibited, albeit not banned, in the way that Prime Minister Heath had anticipated. The report suggests that legislation is not needed to ban those five techniques. However, will the Secretary of State look further at whether there will be an early opportunity to change armed forces legislation through the Armed Forces Bill, which is currently in their lordships' House, to implement any parts of the report that would require legislative change? I am sure that he agrees that if legislative change were needed, it would be wrong to wait five years for the next armed forces Bill.

Finally, although the Secretary of State is right that we should not name individuals on the Floor of the House today, the report finds that individuals did not give full and accurate evidence about what happened and that there was a refusal to reveal identities. Previously, soldiers were given exemption from prosecution during

this process. However, in addition to fresh Army disciplinary procedures that are currently being undertaken, will fresh legal processes now be initiated in the light of today's report? Those named in the report surely cannot hide from justice behind their silence or their evasion in the court martial process, or be protected by a calculated cover-up by their peers in the Army or a failure to act in the Army's chain of command.

In conclusion, on the eve of the 10th anniversary of 9/11, it is compulsory that UK forces should continue to behave in a way that is alien to our foes. When our forces have to detain someone, that detainee is both in our custody and in our care. There is strong support on this side of the House for the report and the recommendations, and for the Government's reaction to it. However, the consequence of the report must be that never again should anyone be subject to such brutality and lose their life because they are in British custody.

Dr Fox: I am very grateful to the shadow Secretary of State for his response and for the way in which he phrased it. He is quite right that the report in no way reflects on the general behaviour of our armed forces; indeed, the whole reason why we are discussing this case is that it was a shocking deviation from the normal standards of behaviour that we have seen from our armed forces. He is correct that a number of individuals are still serving. We are looking at the evidence in detail—it is obviously a very large report—and as I have said, the chain of command is looking at how those individuals still in the armed forces might be treated, although I expect a number of suspensions today.

The right hon. Gentleman raised a number of issues about the harsh approach to questioning and why we should adopt it. First, I should say to the House that the so-called harsh approach involves a short burst of shouting—defined as a short, sharp shock—to bring a captured person back to the realisation of their situation. It is not a violent technique, but it has produced information that has led to both civilian and military lives being saved. To deprive our armed forces of techniques that can make them safer and protect the population both here and abroad would be wrong.

The right hon. Gentleman asked whether we needed a change to the law in respect of the five techniques that were outlawed by the Heath Government back in 1972. My understanding is that we do not—they are absolutely banned, as is currently made clear in training—but I will look to see whether doing that would reinforce the position and whether our legal experts believe it to be necessary.

As for the right hon. Gentleman's point about exemptions from prosecution based on evidence, let me be clear that there was an exemption from prosecution based on an individual's own evidence, not an exemption from prosecution based on the evidence of others that came out in the inquiry. Both military and civilian prosecuting authorities will be looking closely at the evidence to see whether it is possible to bring more of those involved to justice.

Mr Bob Ainsworth (Coventry North East) (Lab): I thank the Secretary of State for the content of his statement and for the tone in which he delivered it. I agree completely with what he said, including his reticence about the banning of non-physical harsh methodology. This incident was a dreadful stain on our very fine armed forces, and I welcome his comments about the continued efforts to pursue those who still evade responsibility for their appalling behaviour.

There are two areas that I want to ask the Secretary of State about. As with the Aitken report, this incident has again exposed the problems with corporate memory, which has come up in other areas, such as the loss of the Hercules and the coroner's inquiry into that. What ongoing work, as I know that some work has been done, is the right hon. Gentleman doing to try to improve—no organisation can be perfect—this issue of corporate memory in the Ministry of Defence? What are he and his Ministers doing to continue to show an interest in detention facilities? No matter what rules and regulations are in force, if the top of the chain of command and Ministers themselves are not constantly vigilant in overseeing from the top the methods being used, the facilities provided and how they are being run, there will be lapses. Are the right hon. Gentleman and his Ministers continuing to be vigilant in respect of our facilities and how they are being used in Afghanistan and elsewhere?

Dr Fox: The answer to the final question is emphatically yes. The Minister for the Armed Forces and I have recently inspected detention facilities in Afghanistan. We also have a rigorous system of reporting in place where every allegation is reported, recorded and investigated, which is a huge difference from what happened back in 2003. If I may say so, the Ministry of Defence strategic detention policy that the right hon. Gentleman published when he was Secretary of State is one of the ways in which we are codifying policy to ensure that corporate memory is not lost. The procedures for improvements in training, the very clear delineation of what is acceptable and what is not acceptable and the writing down of these training materials are the means by which, I hope, these dreadful and almost unbelievable lapses in corporate memory will not be allowed to happen again.

Kris Hopkins (Keighley) (Con): This is a dark day for the British Army. Does the Secretary of State agree with me that the criminals who were responsible for this should be brought before the courts so that we can secure the good name of Her Majesty's forces, which are made up of good, honourable people—men and women—who have been let down by a few thugs and the cowardliness of those who have baulked justice?

Dr Fox: If I may, I will disagree with my hon. Friend, as I do not believe that this is a dark day for the Army; it is a dark day for a small number of individuals who have damaged the Army's reputation for high ethical conduct. The vast majority of the British Army behaves in a way in which the whole House could be utterly proud. My hon. Friend is right, however, that those involved need to be pursued, that justice needs to be done and that we need to see what evidence comes from the report. Where new evidence is brought to light, we need to try to break through this wall of silence—this misguided sense of loyalty—that prevents wrongdoing from being properly addressed.

Thomas Docherty (Dunfermline and West Fife) (Lab): It is fair to say that the whole House commends the Secretary of State and his ministerial team for their continued vigilance on this issue, but will he assure us that all the individuals who are either found to be guilty or refuse to co-operate will be stripped of their Army pensions?

Dr Fox: As I have said, we are looking at what evidence is emerging from the report. I have asked the Chief of the General Staff to look at it and, through the chain of command, to take the appropriate measures. Of course, anything that is done will have to be done within the law of the land.

Dr Julian Lewis (New Forest East) (Con): Both Front Benchers and Back Benchers who have spoken so far have all quite rightly concentrated on the ethical dimension of this terrible case, but is the Secretary of State satisfied that the significance of abuses of this sort to counter-insurgency campaigning and the way in which they play into the hands of our enemies is sufficiently stressed by the heads of the armed services to the people on the front line?

Dr Fox: I am, and it is an essential part of counter-insurgency—and successful counter-insurgency—that we are seen to protect the population concerned. The improvements made to training, to facilities, to detainee handling and, indeed, to the current training of the Afghan forces on how to do the same will ensure that, although we can never remove the risk of such incidents happening, we can certainly minimise that risk.

Mark Durkan (Foyle) (SDLP): I acknowledge the tenor of the Defence Secretary's statement on this grave matter. Will he tell us more about what Sir William has said about the extent of the failings of the Ministry of Defence itself in relation to these matters? When he speaks about allowing the harsh approach to continue, as used by defined people in defined circumstances, who will define the people and the circumstances in future? Will the techniques involved in the short, sharp verbal treatment include any threat to detainees, their families or their communities?

Dr Fox: The mechanisms and approaches are set out in the appropriate training manuals and are emphasised during the training process. It is a matter of great regret that there was, as the former Secretary of State, the right hon. Member for Coventry North East (Mr Ainsworth) has said, a loss of institutional memory in the Ministry of Defence. I personally find it difficult to understand how a statement given by a Prime Minister on the Floor of this House outlawing five interrogation techniques could be "forgotten" by the body corporate. There was a lack of codification, which has, I think, been put right in recent years. I share the disbelief that such a corporate memory failure could be allowed to occur.

Bob Stewart (Beckenham) (Con): To follow up what my hon. and good Friend the Member for New Forest East (Dr Lewis) has said, I would like to take it to a lower level: when people are frightened, scared out of their wits, very tired and have lost friends, they sometimes lose their moral compass. Is my right hon. Friend instructing battalion commanders and brigade commanders to ensure that when such situations are likely, officers brief their men on exactly how they should act? In circumstances that we have heard about, as they apply to the Baha Mousa case, will my right hon. Friend ensure that supervision by officers and non-commissioned officers is as close as it possibly can be in order to stop weak people, who might also be thugs, from acting appallingly?

Dr Fox: In many professions, the whole point of professional training is to get individuals to behave under stressful circumstances in the same way as they would at any other time. That applies in the medical profession, and it applies to the Army. My hon. Friend is right to point to the duty of officers both to supervise and to guide those they lead. One of the most appalling failures set out in the Baha Mousa inquiry was the failure of those in command generally to supervise and guide those for whom they were responsible. My hon. Friend makes a very important point.

John Woodcock (Barrow and Furness) (Lab/Co-op): Following the question from the hon. Member for New Forest East (Dr Lewis), will the Secretary of State take the opportunity to stress that the ethical dimension cannot be separated from the UK's national interest? Holding our armed forces to a higher standard than many other regimes is, ultimately, necessary if we are to protect UK interests and spread the values that we hold dear across the world.

Dr Fox: I completely agree with the hon. Gentleman. What we do says who we are, and it is our behaviour, not our words, that defines how we are perceived and the ethical values that we represent.

Stephen Gilbert (St Austell and Newquay) (LD): There is clearly a balance to be struck in the use of tactical questioning. We need to protect the prisoner from abuse but we also need to protect our service personnel from allegations of abuse. Will the Secretary of State undertake to recommunicate the current guidelines and limits to all service personnel?

Dr Fox: I will certainly examine whether there is a need to do that, and if there is, I will certainly do so. As I have said, compared with the period in 2003 that the report examines, we now have a system in which every allegation is reported, recorded and investigated, and detainees are asked at various stages whether they have any complaints about their treatment. The way in which we now conduct these operations could not be more different from the way that is set out in the inquiry. We have learned some very important lessons, but the tragedy is that victims such as Baha Mousa were part of that learning process.

Dan Byles (North Warwickshire) (Con): George Orwell wrote:

> "We sleep peaceably in our beds at night only because rough men stand ready to do violence on our behalf."

Does the Secretary of State agree that the armed forces are unique because, along with certain elements of the police, they are armed and authorised to use lethal force on behalf of the state? Does he also agree that it is for that reason that we must never allow the principles of integrity and moral courage to be eroded, regardless of

the circumstances in which our soldiers find themselves, and that we must never allow our rightful admiration for our armed forces to lead us to turn a blind eye to abuses such as this?

Dr Fox: I could not agree more with my hon. Friend. He is quite right. It is worth remembering that liberty is not the natural state of affairs; it has to be fought for in every place and by every generation, and that sometimes requires us to take on forces of fanaticism that require rough or violent ways of engaging with them. Our armed forces are indeed licensed to use lethal force in the protection of the state, but they also have to operate within the law, both domestic and international. They have to conform to the highest ethical standards, not only because they represent this country but because it is by operating according to those ethical standards that their use of lethal force gains the acceptance of the British public.

Christopher Pincher (Tamworth) (Con): Although there can be no excuse for the horrors inflicted on Mr Mousa, will my right hon. Friend reiterate that the enemies of this country must not be allowed to portray the brutal actions of a few as an indictment of the 120,000 servicemen and women who gave heroic and exemplary service in Iraq, not least the two Tamworth soldiers, Private Leon Spicer and Private Phillip Hewett, who gave their lives in Iraq, and for Iraq, in 2005?

Dr Fox: I agree; it is indeed testimony to the quality and ethical behaviour of our armed forces that we are examining the behaviour of only a very small number of the 120,000 who served. However, as my hon. Friend says, there are no excuses, and the behaviour of a small number can taint the reputation of the many. That is why there can be no hiding place for this kind of behaviour.

Rehman Chishti (Gillingham and Rainham) (Con): I welcome the statement and the report, but will the Secretary of State tell us why this has taken so long to achieve, given that the incident took place more than a decade ago?

Dr Fox: The incident took place some eight years ago. In setting out this morning why the report took such a long time to produce—some three years—Sir William explained the complexities involved and the fact that the team had wanted to go into very great detail to ensure that as much information as possible was put into the public domain, that the full history of the detainee operations was set out, and that the context could be fully understood. He also said in his statement this morning that it would be for others to judge whether the time had been well spent. The report is very long and detailed, but it is actually very readable, and any Member who takes the time to look at it will come to the conclusion that Sir William's time was extremely well spent.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): I thank my right hon. Friend for putting forward his case so clearly. Will he tell me what the difference is between tactical questioning and interrogation? Also, how can we ensure that this kind of thuggish activity does not become a recruiting sergeant for those who oppose the operations that we are undertaking or endanger the lives of armed forces personnel?

Dr Fox: I believe that such activity has been reduced to the lowest possible level by the measures that have been taken. The way in which we conduct operations in Afghanistan is very different from what occurred in Iraq, and that has been one of the major reasons for the success of the counter-insurgency campaign in Afghanistan. My hon. Friend asked about the difference between tactical questioning and interrogation. Tactical questioning is defined as

"the obtaining of information of a tactical nature from captured persons...the value of which could deteriorate or be lost altogether if the questioning was delayed".

That is obviously something that takes place close to the point of capture. Interrogation is defined as

"the systematic, longer-term questioning of a selected individual by a trained and qualified interrogator".

That would normally take place in purpose-built facilities, as it does in Afghanistan at the present time.

Alun Cairns (Vale of Glamorgan) (Con): I am grateful to the Secretary of State for his statement, and I pay tribute to the way in which he has responded to our questions. Further to the question from my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) on tactical questioning and interrogation, may I ask the Secretary of State what he meant by the term "harsh approach" that he used in his statement?

Dr Fox: As I said in response to an earlier question, the harsh approach is a short, sharp shock. It is used to ensure that the shock of capture is maintained, and to give us information. As well as extracting intelligence that can be used immediately on the ground—for example, information on where enemy forces or improvised explosive devices are—it can also be used to identify those who will go on into a further interrogation process. I believe that it is a necessary part of our weaponry in dealing with the threats that our armed forces face. That is why, although I was sympathetic to some of the issues that Sir William raised on this subject, I was unable fully to accept that recommendation.

David Morris (Morecambe and Lunesdale) (Con): I hope that my right hon. Friend would agree that, no matter what shame has been brought on our armed forces as a result of this incident, it is in no way representative of the history and record of that fine regiment.

Dr Fox: In no way does the incident reflect upon the very proud history of the regiment, but those who were involved need to ask themselves whether their behaviour contributed to its proud history. That includes those who were involved in violent behaviour and those who showed a lack of leadership. They are the ones who need to ask themselves questions, not those in the broader regiment.

Fixed-term Parliaments Bill

[Relevant documents: The Second Report from the Political and Consititutional Reform Committee, Fixed-term Parliaments Bill, HC 436, and the Government response, Cm 7951.]

Consideration of Lords message

1.8 pm

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): I beg to move, That this House insists on its disagreement with the Lords in their amendments 1, 2 and 9 but proposes the following amendment to the Bill in lieu of those amendments:—

(a) Page 3, line 23, at end insert—

'(4) The Prime Minister must make arrangements—

(a) for a committee to carry out a review of the operation of this Act and, if appropriate in consequence of its findings, to make recommendations for the repeal or amendment of this Act, and

(b) for the publication of the committee's findings and recommendations (if any).

(5) A majority of the members of the committee are to be members of the House of Commons.

(6) Arrangements under subsection (4)(a) are to be made no earlier than 1 June 2020 and no later than 30 November 2020.'.

The Government have been prepared, both in this House and the other place, to consider and support amendments that improve the provisions of the Bill. That is the normal process for refining and agreeing legislation. However—again, quite normally—we have consistently opposed amendments that would wreck the Bill. Members of this House and those in the other place have had a chance to debate the Bill at length, and one issue remains outstanding: whether or not there should be a sunset clause. Some have called it a sunrise clause, and it was referred to in the other place as a Lazarus clause.

We have discussed Lord Pannick's amendments—which inserted the sunset clause—before, and they were roundly defeated by 312 votes to 243, because they offended against the principle of the Bill: that parliamentary terms should be of a fixed length, and that the legislation should apply to each Parliament in the normal way unless repealed through the normal considered legislative process.

The Bill as we would have it rightly does not attempt to entrench parliamentary terms. If a future Parliament wishes to move away from fixed terms, it may of course do so by either amending or repealing the legislation. We have, however, maintained consistently that a constitutional change such as a move towards or away from fixed-term Parliaments is not a small matter, and that it should be subject to the full scrutiny of Parliament, as this Bill has indeed been. In contrast, the sunset amendments passed by their lordships would switch fixed terms on and off like a light switch, defaulting to non-fixed terms if a simple resolution failed to be tabled or, if it is passed, to "sunrise" provisions for fixed terms.

In our view, it is clearly not appropriate for constitutional legislation to be applied or disapplied simply as a result of a resolution, and such changes should be made only following the normal legislative process. That view appears to be shared by the Lords Constitution Committee, whatever its misgivings about the lack of pre-legislative scrutiny for first-Session Bills. Its recent report on the process of constitutional change emphasises the need for proper scrutiny of such constitutional changes. A particularly relevant paragraph states:

"We believe that both government and Parliament should recognise the need for constraints on the process of constitutional change so that a situation whereby the government is effectively able to change the constitution at will may be avoided."

Chris Bryant (Rhondda) (Lab): I am sure that the Minister was not going to suggest that the Constitution Committee supported the Bill. As he knows, it clearly does not.

Mr Harper: I did not say that it did. I said that it had misgivings about the fact that there had been no opportunity for pre-legislative scrutiny because this was a first-Session Bill. My point was that in its recent report—and not just in the paragraph that I quoted; throughout the report—it had said that constitutional change should be carried out properly. The idea that constitutional provisions such as this should be switched on and off through simple resolutions rather than through the proper legislative process, which involves consideration by both Houses of Parliament, is not appropriate. We agree with the sentiment expressed in the paragraph that I have just read out, which is why we oppose Lord Pannick's amendments. Given that Lord Pannick is a member of the Constitution Committee and presumably supports the proper conduct of constitutional change, it is surprising that he is trying to insert in the Bill something that we do not think appropriate.

We should also bear in mind that both Houses recently engaged in a debate similar to this during the passage of what is now the European Union Act 2011, and that both Houses decided that it would not be appropriate to include a sunset provision in that Act. In the debate, Lord Lamont wisely noted that a sunset provision was not appropriate because it would provide for primary legislation to be reversed by a simple resolution. We believe that the Lords amendments would have the same effect on this Bill, turning important amendments to the statute book on and off without proper scrutiny.

The report of the European Scrutiny Committee on the European Union Bill states:

"All Parliaments legislate for the future. Laws passed by one Parliament do not contain a sunset clause at the Dissolution. The real point is whether a government can, in law, make it difficult for a future Parliament to amend or repeal the legislation it has passed; in our view it cannot. Our conclusion therefore is straightforward—that an Act of Parliament applies until it is repealed".

That can also be said of the Fixed-term Parliaments Bill. Should a future Parliament wish to amend or repeal the legislation, it could of course do so, but we believe that it should do so through the normal legislative process, not simply by passing, or failing to pass, a resolution.

That, however, is not the only problem with the Lords amendments. They clearly assume that it would be possible for the Prime Minister to regain the option of asking Her Majesty the Queen to dissolve Parliament, but it is entirely possible that, by failing to provide for the prerogative power to dissolve to be reinstated, they have left matters in the position where neither the rules in the Bill nor the previous prerogative powers can have effect. Indeed, it is worth asking whether it is possible to reinstate a prerogative power that has been removed. It should also be noted that the United Kingdom Parliament did not think it appropriate to include sunset clauses when legislating for fixed terms for the Scottish Parliament,

the Welsh Assembly and the Northern Ireland Assembly. It is not entirely clear why it should consider it appropriate to "sunset" the fixed terms for this Parliament.

1.15 pm

Let us be clear: the Government believe that the sunset amendments would wreck the Bill and the principle of the Bill, which is why we oppose them. Our view was shared by others in the House of Lords. Lord Dobbs noted that the sole purpose of the amendments was to "wreck" the Bill, and went on to say:

"This issue has effectively been decided in this House and in another place, whether we like it or agree with it or not. I would not say that to support a sunset clause on this occasion is unethical, but it is entirely inappropriate. We do not use it on any of the other constitutional Bills; it is not the time to start doing it now."—[*Official Report, House of Lords,* 18 July 2011; Vol. 729, c. 1096.]

Nevertheless, I have no doubt that the Members of the other place who gave us the amendments in the first place, and have given them back to us unchanged, have good intentions. I know that they are concerned about the major constitutional change to fixed-term Parliaments, and the abandoning of the current system whereby the Prime Minister has the power to call a general election whenever it suits his political purposes. I believe that the change that we propose is a good one—it works in many other countries, and in the devolved legislatures—but I understand why any significant change is apt to cause concern. That is why the system of post-legislative scrutiny exists, making it possible to consider whether measures are working and to make recommendations.

We recognise the concerns that have been expressed, and we wish to give formal reassurance of a kind that is consistent with the principle of the Bill. Our amendment in lieu, which we tabled last Friday and which we wish to substitute for Lord Pannick's three amendments, would provide that the Prime Minister must make arrangements to set up a committee to review the Bill's operation after the first full fixed term, in 2020. Those arrangements would require the committee, if appropriate, to make recommendations for the repeal or amendment of the Act. That provides a categorical reassurance that the Bill will be given full post-legislative scrutiny. It is a much better solution than simply allowing a significant piece of legislation to lapse.

Mr Peter Bone (Wellingborough) (Con): Listening to the Minister's opening remarks, I entirely agreed with him that there was no need for a sunset clause, but shortly afterwards he spoke of a review allowing the opportunity for such a clause. If there is no need for it—I agree with him on that—why bother to table the amendment? Moreover, I do not think that it will be possible for the Prime Minister to organise a review in 2020, because by then there will be a House business committee, and it will be for it to make the decision.

Mr Harper: The amendment in lieu does not concern a sunset provision. If the committee that was set up, having examined the operation of the Act and of fixed terms, concluded that the Act should be amended or, indeed, repealed, it could make such recommendations, but Parliament would then have to go through the full normal legislative process, with its checks and balances. There would not be a simple on-off provision that could be triggered in some constitutionally innovative way.

As for my hon. Friend's point about the House business committee, it would of course deal with the business of the House. The committee set up by the Prime Minister would have to consist of a certain number of Members of Parliament—although it would not be composed entirely of Members of Parliament—to make recommendations. It would not deal with the timetabling of parliamentary business. My hon. Friend is, of course, a big supporter of both the Backbench Business Committee and the establishment of a House business committee.

Thomas Docherty (Dunfermline and West Fife) (Lab): Will the Minister clarify three points? First, why has he chosen 1 June 2020 as the start date, rather than immediately after the general election on the first Thursday of May? Secondly, does he expect the whole process to take place between 1 June and 30 November 2020? Thirdly, why have the Government not specified how many people will be on the committee? Surely that would have been a reasonable thing to do.

Mr Harper: We chose 2020 in order to ensure that the committee has had the experience of a full fixed term. After all, the Bill is not law yet. We argue that a fixed term is good not only because that takes that power away from the Prime Minister, but because it enables us to have a much more sensible set of arrangements. I hope it might mean that we would no longer need to have a wash-up process, because everybody would know when the parliamentary term would end. It may also help with handling pre-legislative scrutiny at the front end of the process—something for which we have been criticised. If a Government can be certain when a Parliament starts, how long it will last and how much time they will have, that will enable them to plan their legislative programme, including pre-legislative scrutiny, through that Session, which may result in some improvements. Such benefits will be properly seen only in the Parliament beginning in 2015; they will not be seen in this Parliament because the arrangements were not in place from the beginning of it. That is the reason for the 2020 date.

The reason for the other two dates that the hon. Gentleman mentioned is simply to make sure that the commitment to set up a committee is not open ended, in which case some people might lack confidence in whether the Prime Minister would set it up. The Prime Minister has to set it up between those two dates; those dates refer to the arrangements to set up the committee. *[Interruption.]* Well, it would depend on what the committee was looking at and how long that would take. It will not have to report by 30 November. That seemed an appropriate situation, and it is only a short period after the date of an election, so it did not seem to be an undue delay.

Thomas Docherty: Coalition negotiations!

Mr Harper: I disagree with what the hon. Gentleman says from a sedentary position. He is reading too much into this.

Madam Deputy Speaker (Dawn Primarolo): Order. This is not a private conversation. Members' comments need to be recorded and reported in *Hansard.* If the hon. Member for Dunfermline and West Fife (Thomas

[Madam Deputy Speaker]

Docherty) wants to intervene on the Minister, I am sure the Minister will give way, but comments made from a sedentary position across the Chamber are not helpful.

Mr Harper: This arrangement would also allow time after the general election for the new Parliament to meet. It did not seem appropriate to set an aggressive timetable and force overly hasty decision making. The timetable is set out so that people can have confidence that the committee will be set up.

Andrew Percy (Brigg and Goole) (Con): As the Minister knows, I thought the Bill was unnecessary and said so on Second Reading, but I cannot support the Lords amendments, because they seem equally unnecessary. Given that the Bill is primarily about the mechanism for the Dissolution of Parliament, which takes place at the end of a Parliament and over a short period, why do we have to wait until 2020 to review it?

Mr Harper: If my hon. Friend thinks back to our earlier debates on the Bill and its effects, he will remember that this is not just a mechanical process to do with the detail of the Dissolution itself. Rather, it is about the consequences that flow from that. Much of our debate revolved around what will happen to the nature of the parliamentary process if we have fixed terms—what will be the benefits and potential negative consequences. The reason for looking at it after a full fixed term is to enable the committee to consider whether, as I would hope, the possible positive outcomes we debated have come about, and alternatively whether some of the concerns that have been expressed on both sides of the House have been proved accurate, and then to make some recommendations and publish a report. As a consequence, this House will be in a good position to debate the matter and discover whether further legislation is needed.

Mark Durkan (Foyle) (SDLP): So far, the Minister has focused on the fixed-term Parliament aspect of the Bill, but there is also the constituency aspect. Will the review that the amendment would allow also be able to look at issues such as whether the number of constituencies should be fixed at 600 or there should be more flexibility, and whether the boundary reviews should take place every five years?

Mr Harper: The hon. Gentleman took part in many debates on the Parliamentary Voting System and Constituencies Bill before it was enacted, and he will remember that we set up a similar type of review mechanism to look at the operation of that legislation in respect of parliamentary boundaries. A similar type of post-legislative scrutiny and review was set up to consider precisely those issues in that legislation, therefore. I hope that deals with the hon. Gentleman's concerns.

Andrew Percy: Will the Minister also look at the question of the term of the Parliament, which we have discussed before?

Mr Harper: That is a perfectly good question. The Bill sets up arrangements for a review of its operation in general. It is not an overly constrained review, therefore. The Committee would be able to look at the effects in the round and make appropriate recommendations that this House and the other place could then consider.

I hope the amendment in lieu will address some of the concerns expressed in the other place. Indeed, the Chair of the Constitution Committee, Baroness Jay, said during the consideration of Commons amendments that the Bill should be subject to some form of post-legislative scrutiny. I hope she and other Members will find our amendment in lieu acceptable.

It has also been suggested that the Lords amendments would alter this Chamber's relationship with the other place, as they would provide that the Bill's provisions for a fixed term could be "revived" only through a resolution of both Houses, which would concede an element of our primacy to the other place. I share that view. We can envisage a situation in which this House is wholly in favour of reinstating fixed terms but is stymied by what amounts to a power of veto given to the other, unelected, House. That cannot be right. If we send a clear message to those in the other place on this issue, letting them know we do not want, nor have ever wanted, a sunset clause to these provisions, then I am sure they will listen.

Mr Nigel Dodds (Belfast North) (DUP): Would the Minister change his mind on that point if the other place were partially or fully elected?

Mr Harper: The right hon. Gentleman is leaping far ahead. We are considering this Bill now. Meanwhile, our reform proposals for the House of Lords have been published and are being scrutinised by the relevant Joint Committee. If at some point in future it is decided to change the arrangements under this Bill, that can be done in the normal way. The Bill can be amended or repealed through the normal legislative process. We are not seeking to constrain that. We are simply saying that the rather novel constitutional provisions that the Lords has inserted are inappropriate to a constitutional Bill.

Chris Bryant: Let me raise a few protest points at the outset. First, the Bill started its lengthy process on 22 July last year. In the normal course of parliamentary business, this parliamentary Session would have come to an end by now and therefore this Bill would already have fallen, so it would not be becoming law. Indeed, there would have been a point at which the House of Lords would have been able to hold the Government's feet to the fire so as to extract greater concessions from them. I merely note that the Government have managed to give themselves a two-year Session. When the Leader of the House announced that that was going to be the case, I complained that it would give added powers to the Government. This is yet another example of how the Government have abused the constitution over the past year.

Mr Alan Reid (Argyll and Bute) (LD): The hon. Gentleman is wrong. We were both elected in 2001, so I am sure he will recall that in both the 2001 and 2005 Parliaments the first Session lasted about 18 or 19 months.

Chris Bryant: No, we would now be in the mop-up session, and during that time there would be many other Bills that would need to be dealt with in limited time. Indeed, there are plenty of other Bills clamouring for time in this Chamber at present. That is precisely my point. There is no pressure on the Government to come to an agreement because they have another six months in which to do so.

1.30 pm

Mr Bone: The shadow Minister of course makes a fair point, but to balance it we have to give credit to the Government for introducing fixed one-year Sessions in future. There is another side to this, although he makes a fair point.

Chris Bryant: I am grateful for the hon. Gentleman's support for my argument.

The other process point that I wish to make is that the lords debated their amendments in July and the Government tabled their amendment last Friday, but the amendment was not available in the Vote Office until this morning—that was despite my having asked for it on Monday, Tuesday and Wednesday. I had no access to the amendment tabled by the Government until today. I understand it to be normal practice, just as a matter of courtesy, for ministerial offices to write to shadow spokespeople when the Government table amendments to Bills in which the spokespeople have been involved, in order to give them notification. I say gently to the Minister that it would have been nice if he had been able to notify us of amendments.

It would also have been good if the Whips Office had, instead of stating categorically all this week, until about 3 pm yesterday, that we were not going to be dealing with this Bill this afternoon, owned up to the truth, which was that the intention was always to deal with this Bill this afternoon. Indeed, the Whips Office had told the Minister so, and the fact that this Bill was going to be discussed this afternoon had been set out in his diary for several weeks.

Mr Bone: The shadow Minister makes a good point about the Whips Office. Will he be here tomorrow to support my Bill abolishing the Whips Office?

Chris Bryant: I am happy to abolish the Government Whips Office, but I am very fond of my Whips Office. It is always best to remain in as good an odour as possible with one's Whips.

The simple point of process is that when the Leader of the House announces in the future business—as has been said, we hope that the Backbench Business Committee will do this in future—that consideration of Lords amendments may take place, he never specifies the Bill to which that relates. That is an unfortunate way of doing business, and it might make much more sense if, in future, the Government were to announce the Bills in question. If every Member of the House had known at the beginning of the week that we were going to be dealing with this Bill today, the Chamber might have been packed to the rafters—I note that it is not. That is despite the fact that we are sure to hear a wonderful speech from the hon. Member for Epping Forest (Mrs Laing), and many would have crowded in just to see her jacket this afternoon.

The amendment, in essence, confesses that the Government have not achieved consensus on a major constitutional change. Again, I say gently to the Minister that when any constitutional change is being made, especially when pre-legislative scrutiny has not been undertaken, when no draft legislation has been produced, when the change was not adumbrated in one of the governing parties' manifestos and when it is a significant change from what was in the manifesto of either of the two governing parties, it is all the more important that Ministers and the Government in general proceed on the basis of consensus. Although I am often a fierce critic of the House of Lords, of its hereditary principle and of its appointment principle—I call it the "patronage principle"—I believe that the Lords plays an important stop-gap role in constitutional affairs. That is why I believe that this amendment owns up to the fact that, as Lord Butler of Brockwell put it, this legislation has been introduced

"without proper consultation, preparation or consideration."—[*Official Report, House of Lords,* 18 July 2011; Vol. 729, c. 1080.]

For many years, we relished listening in this Chamber to Lord Cormack, the greatest par-li-a-ment-ar-i-an of his age—he used about seven syllables when saying that word. As he said, this is an

"ill thought-out, unnecessary and bad Bill."—[*Official Report, House of Lords,* 18 July 2011; Vol. 729, c. 1087.]

There are specific problems with this amendment, most notably because it does not add anything. If their lordships think that it is a concession, they are completely mistaken, because already the Government will have to undertake post-legislative scrutiny on this legislation in the next Parliament. All the amendment does is provide for another version of post-legislative scrutiny, but such scrutiny will already have taken place four years before the date in 2020 when the amendment suggests it should occur.

I am somewhat of a suspicious mind; I think that the reason why the Deputy Prime Minister has insisted on this date in 2020 is his ambition to put up joint Liberal Democrat-Conservative candidates at the next general election and to be able to continue the coalition for two parliamentary Sessions. I say that because it was not an immaculate conception that led to this constitutional Bill; it was conceived behind the bike sheds as a result of the coalition partners—the Conservatives and the Liberal Democrats—trying to fix the length of this parliamentary Session so that nobody could abscond should any difficulties arise. *[Interruption.]* I am not sure whether the hon. Member for Brigg and Goole (Andrew Percy) is just waving to me or whether he would like to intervene. It appears that he wishes to intervene.

Andrew Percy: The hon. Gentleman's argument about joint candidates falls down because he needs to be able to find someone willing to stand as a Conservative and Liberal Democrat candidate.

Chris Bryant: I believe that earlier this week the Prime Minister described himself as a "Pragmatic liberal conservative Eurosceptic"—he used different arrangements of those words in different arenas, as is his wont.

In addition, the amendment presumes that not only this Parliament, but a second one will run for a full five years. If that was not the case, choosing to specify dates in June and November 2020 would be particularly

[Chris Bryant]

bizarre, as they might fall two years into another Session. This is where the following statement by Lord Armstrong of Ilminster is correct, although I confess that I do not quite understand the first bit:

"It is all Lombard Street to a China orange that the time will come when a premature Dissolution would be to the manifest benefit of the country".—[*Official Report, House of Lords,* 18 July 2011; Vol. 729, c. 1088.]

I think that that is true. If we consider the recent history of the United Kingdom, we see that even on occasions when the Government had a decent majority, such as in 1964 and 1974—although the latter situation was more complicated—they decided to hold a new election because they felt that they needed a mandate to deal with a specific set of issues that had not arisen at the previous general election. I believe that that will happen again and that it will be in the interests of Parliament to have the greatest degree of flexibility to allow it to happen, if not to encourage it to happen. That is why this amendment, in trying to entrench not just one fixed term, but two—in the interests of the coalition rather than the country—is misguided. As I said, the amendment adds nothing because post-legislative scrutiny, a fixed part of the way in which we carry out our business, will apply to this legislation.

The Minister, charming as he is, tried to assert that fixed-term Parliaments are used in Scotland, Wales and Northern Ireland, as well as in relation to local government elections and so on. However, these do not seem to have been very fixed in the past few years. Indeed, in the short time that he has been in power he has already changed the term for the Welsh Assembly, the Northern Ireland Assembly, the Scottish Parliament and the local government elections in Northern Ireland. Now the Government have just decided that there will not be a fixed term for the police commissioners, because the first term will be slightly shorter than the second one, as the Government are not going to be able to get their legislation through in time to have elections next May and so the first elections will take place next November. So I am profoundly sceptical even about the ability of the hard-line fixed-termers, such as him, to deliver a fixed-term Parliament, because of the way in which politics works.

I wish to make a few comments about the specifics of the amendment. It states:

"A majority of the members of the committee are to be members of the House of Commons."

I do not believe that the Government consulted anyone in the Opposition on this amendment. I am sure that had the Minister done so, he would now be leaping to his feet to defend himself—it appears, therefore, that he has not sought a consensus on this constitutional change. If consultation had taken place, we might have made some suggestions about how to constitute such a committee. It might have been better to state from the outset that it should involve Members of the House of Commons. I think that we should return to the practice of the 15th and 16th centuries—I am sure I have one hon. Member on my side here—which was that Joint Committees of both Houses should have two Members of the House of Commons for every Member of the House of Lords. I admit that that was at a time when there were perhaps 60 or 70 Members of the House of Lords and 480 or so of the House of Commons, whereas they are getting towards having double the number we have in this House. None the less, while this is a democratically elected House and that is not, it would make more sense for the majority from this House to be 2:1.

I note en passant that one Member of the Joint Committee on House of Lords Reform—not from the Opposition side of the House—pointed out that having such a large number of members of a Joint Committee makes it very difficult to do serious business. It is quite difficult with large Select Committees, but with 24 or 26 members of a Joint Committee of both Houses, it is phenomenally difficult to make progress.

Mr Bone *rose—*

Chris Bryant: Of course I will give way to the hon. and gentlemanly Gentleman.

Mr Bone: I was just reflecting on the numbers. Are there not about 800 peers and 600-odd Members of this House? I think the hon. Gentleman's calculations are slightly wrong.

Chris Bryant: Yes, I was noting the acceleration. The coalition has a commitment in its agreement that it will keep appointing more Member of the House of Lords until the numbers mirror the representation in the House of Commons. That means that they have another 269 to appoint. We are pretty much getting on for having up to double the number of Members at that end as there are here. In addition, the Government want to elect some Members so that if the Government get their way, without sensible amendments from the Opposition, we will have twice as many Members of the House of Lords as of the House of Commons.

The Minister said that the danger of a sunset clause would be that it would be like switching a light bulb on and off. What he fails to understand is something that some of us have been arguing for through several Bills—that is, many of the measures contained in the Bill would be far better dealt with through the Standing Orders of this House, particularly anything to do with a no confidence motion. There is a danger that otherwise they will be justiciable in the courts. He refuses to accept that. If it had been a question of Standing Orders, then as with any other Standing Order this would be a matter for the House to change. It would not need three readings, nor would it have to go to two Houses; it would just be a matter of a simple vote.

The Minister sets his mind against sunset clauses, but I remember when he used to sit over on the Opposition Benches—what halcyon days—and used to campaign for sunset clauses galore on Government legislation. With virtually every change we introduced through legislation on security and policing, for instance, the then Opposition demanded a sunset clause. On civil liberties, control orders and all these different elements of legislation there was a campaign from Opposition Members saying that there must be a sunset clause. Quite often, we succumbed to that campaign and we put them in. In a large amount of our civil liberties legislation, there were sunset clauses and provisions had to be renewed every year.

One of the most significant sunset clauses in our constitution refers to the inability of the Crown to have a standing Army unless there is a vote in the House of

Commons every five years. That is a sunset clause on the single most important part of our constitution: namely, the Crown's ability to defend the country. The Minister is completely wrong to invent this new concept that we cannot have a sunset clause in a constitutional Bill—and only in such a Bill.

The Minister also said that there are no sunset clauses in relation to Scotland, Wales and Northern Ireland, but the single difference between this case and those instances is that there was absolutely no consultation with the wider public on this legislation. As for setting up devolution in Scotland, Wales and Northern Ireland, there was lengthy and protracted cross-party consensus on precisely how everything should be set up. I think he is whispering something about the Conservatives not agreeing to devolution in Scotland, but we rejoice that the sinner repenteth. They had the opportunity to take part in that lengthy process of consultation and that is surely the proper process for changing the constitution.

Let me come to my penultimate point. The Minister says that those in the Lords who have presented amendments have good intentions, but he reminds me of something that happened when I went to a theatre a few years ago. There was a couple who had had a terrible row sitting in front of me and just before the play started, the woman turned to the man and said, "And the worst of it is that you're so blasted pate-ronising." He kissed her on the forehead and said, "It's pat-ronising, dear."

To be honest, I thought the Minister's approach to their lordships—who are senior constitutional experts and have seen many of the corridors of power far more extensively than he or I—was downright patronising. I think they have come up with a good solution. The coalition Government can have their five years and there will be a general election in 2015 unless one of the Members for Bedfordshire manages to split the Prime Minister and the Deputy Prime Minister from one another, but thereafter it should be for the House of Commons and the House of Lords to decide whether to continue with this legislation.

I am sure that the Government Whips, through their nefarious processes, will have engineered that there are plenty of people to see off their lordships' amendment this afternoon, but I tell their lordships that the Government are attempting to get them to sell their soul for a mess of pottage. The Government amendment is not an amendment that is worth supporting—

1.45 pm

Jacob Rees-Mogg (North East Somerset) (Con) *rose*—

Chris Bryant: The hon. Gentleman is a fine, tall gentleman, so I give way to him.

Jacob Rees-Mogg: I am very grateful to the hon. Gentleman for giving way. While he is urging their lordships to stand firm, I wonder whether he might like to remind them that the Parliament Act does not apply so they can insist for as long as they like.

Chris Bryant: The hon. Gentleman is absolutely right, although I am surprised he is only taking us back to 1911. He normally takes us back a little further. The Parliament Act cannot be used in relation to this legislation because the Bill would allow for the extension of Parliament beyond five years—possibly to five years and two months—and that Act expressly prevents the Speaker from forcing the Bill on their lordships. The hon. Gentleman is absolutely right: your lordships, stand firm.

Mr Reid: The Lords amendment we are debating requires the Bill's provisions to be renewed if they are to be used in each future Parliament, but the Pannick amendment defeats the purpose of the Bill by permitting fixed-term Parliaments only if agreed by both Houses in a future Parliament. It effectively annuls the provisions of the Bill unless both Houses of every future Parliament vote to put the provisions back in place.

The Lords amendment is effectively a wrecking amendment, because it does not even require a resolution to be brought forward to annul the provisions—it is the other way around. Resolutions have to be put forward in future Parliaments to re-establish the provisions. That is completely unnecessary, because if a future Parliament wanted to amend this Bill, it could do so through the normal process of legislation. The amendment simply creates an unnecessary layer of law and its real purpose is to wreck the Bill. It would have been better if the Lords had simply been honest about it and voted against the Bill rather than trying to insert this clause, which is simply a wrecking measure by another route.

The Government's new amendment, which I support, provides to the Lords a reasonable compromise in that it allows post-legislative scrutiny after we have seen the effects of the Bill through the full cycle. I urge the House to accept the Government's amendment and reject the Lords' wrecking amendment.

Thomas Docherty: May I begin by asking the Minister to answer the third question I posed to him? In some ways, it is the most important—it is the question about the size of the proposed committee. I have a huge amount of respect for the Minister and I think he secretly enjoys coming along on a Thursday lunchtime and spending some time with right hon. and hon. Friends on his side and on ours. We have excellent debates and he engages well with them. I suspect that the reason why we have such a poorly drafted offer from the Deputy Prime Minister and why the Minister has signed it off on behalf of the Prime Minister is that he knows the Lords will have to reject it, because it is so badly written, and he will be able to come back next week or in October and have another swing at this. The proposition offered on behalf of the Deputy Prime Minister opens up many questions that have not been answered about the size and remit of the committee.

One could reasonably say that the Bill will have an impact not only on the workings of both Houses but on the devolved Administrations and on the local authority elections that subsequently take place, because we would have to have five-year Parliaments permanently for the Scottish Parliament and the Welsh Assembly in order to keep one year behind. That is a very unsatisfactory arrangement.

Mr Reid: Surely the Bill removes the uncertainty that would otherwise have applied, because without it not only would the Scottish elections have been scheduled

[Mr Reid]

for May 2015 but if this Parliament were to go full term, that election would also be in May 2015. That complete and utter uncertainty is removed by the Bill.

Thomas Docherty: I do not share the hon. Gentleman's optimism about the coalition holding together successfully for the full five years. I think that he is accepting that, in effect, we now have, permanently, a five-year Scottish Parliament and a five-year Welsh Assembly, but I am not sure whether legislation will be brought forward to make that clear in the next Parliament. That is a huge change in constitutional convention and I think he was involved in that. Certainly, his party played a significant role and there was cross-party consensus on it.

One of the key issues was having a four-year Scottish Parliament. I would very much hope that if the committee were set up, it would have a remit that covered not just the impact on the workings of both Houses, but the impact on devolved Administrations and on local authority elections in the rest of the United Kingdom. It is disappointing that we have seen no such indication from the Deputy Prime Minister about what the committee's remit would be.

It is also disappointing to note that there is no length of time attached to when the committee is expected to report by. If I were cynical and thought that the Deputy Prime Minister could not be trusted and might make a pledge that he would then break, I might think this issue would then be kicked into the proverbial long grass for, perhaps, the full five-year period. I was very surprised that although the Minister gave a reasonably satisfactory assurance about the starting date of the committee, a closing date for its work has not been provided. I look forward to hearing his response in a few minutes, when I very much hope he will deal with that point.

We also heard from the hon. Member for Argyll and Bute (Mr Reid) that this is a wrecking measure. I have been in the House for only 15 months but it strikes me that every time the Deputy Prime Minister puts forward something that his coalition partners are not keen on, some measures are described as wrecking measures. I seem to recall that exactly the same argument was used about changing the date of the referendum on the alternative vote. It was said that moving the date back six months would wreck the whole premise, but I note that that argument was not put forward this week by the Liberal Democrats about shifting the date of the police elections—somehow that is not a wrecking measure, but I cannot think why.

It is very disappointing that the debate was not better advertised, as my hon. Friend the Member for Rhondda (Chris Bryant) mentioned, possibly because the Patronage Secretary was hoping that many of his more principled colleagues would make other arrangements for this afternoon and would not be around to give the measures the due diligence they could do with. I would be grateful if the Minister would outline why we were not notified until 3 o'clock yesterday afternoon that this important debate was going to take place.

The last issue that I want to address is the Minister's argument that it would take nine years to start this process. I do not see why he requires, effectively, two complete Sessions of five-year fixed terms to do this. His argument about the upper House is quite revealing and I am sure that right hon. and hon. Members in his party will take great comfort from the fact that he is now saying that there will not be an elected upper House and that we will rightly have a fully appointed House of Lords, as we have at the moment. I am sure that is part of the deal that was cooked up over dinner last night. I understand that the Minister was the subject of some roasting last night at the dinner and it is good to see his hands fully today. I understand that there was some concern among parliamentary colleagues that he would have to keep his hands in sight at all times. Without further ado, I will sit down so that he can respond.

Mr Harper: With the leave of the House, Madam Deputy Speaker, let me deal with the concerns that have been raised by hon. Members on both sides. The hon. Member for Rhondda (Chris Bryant) made a point about the amendment's availability. It was tabled on Friday and—obviously, processes of the House are a matter for the House—it was certainly on the parliamentary website for the world to see by Monday. So there were three, clear parliamentary days for Members on both sides of the House to look at the amendment and consider their views. The hon. Gentleman's comments about the usual channels will obviously have been heard by them, and I hesitate to trespass on those matters. I shall leave that point there.

The hon. Gentleman says that the Bill has not had proper consideration, but it absolutely has. It is true that it did not have pre-legislative scrutiny—and we have explained on a number of occasions that it was a first-Session Bill and that we wanted to make progress on it—but it has had extensive legislative consideration in this House and in the other place. He pointed out that it was introduced to the other place more than a year ago, so the idea that this important Bill has not had proper scrutiny simply is not correct.

The hon. Gentleman said that post-legislative scrutiny already takes place and he is quite right to say that that is done not by the Government but by Parliament. The Government produce a memorandum on Bills that they submit to Parliament, but they do not, of course, scrutinise themselves. This simply adds to the existing scrutiny that will already take place—because of the concerns that people had, we wanted to make it explicit that the Prime Minister would set up a Committee that would look at the operation of the Act and would then have to report and would give the House the opportunity for a full debate.

Picking up the points that the hon. Member for Dunfermline and West Fife (Thomas Docherty) raised about the detail—the number of members on the committee and the end point—this goes back to the point that the hon. Member for Rhondda made about operating by consensus. The Prime Minister would set up the committee, but details about the number of members and the out-date would be addressed later. The terms of reference would clearly be very wide—the amendment mentions

"a committee to carry out a review of the operation of this Act"

but does not narrow the terms. Those issues would clearly be agreed through the usual channels so there would be some sort of consensus for parties to appoint their Members to the committee. It seems to me sensible to allow that process to take place rather than to set down every detail in the Bill.

Chris Bryant: The Minister says that we should clearly take it as read that the Prime Minister would engage in consultation with the Opposition, but I note that the Minister tabled a written ministerial statement this morning on the West Lothian question and the setting up of a commission, but he does not indicate at any point that he is going to consult the Opposition on its terms of reference or its membership.

2 pm

Mr Harper: I have just said that that would take place—the consensus on the committee's terms of reference, as is usual. That is very sensible; we do not want to put all the detail in the motion. The hon. Gentleman should read this morning's written statement—I will not dwell on it, Madam Deputy Speaker, because you would call me to order if I did—and I am sure that we will have the opportunity to discuss some of the details tomorrow, when we debate a private Member's Bill. The written statement sets out our overall position on the commission on the West Lothian question. We will consult Mr Speaker on some of the details involving the House, and we have also said that we will have a full opportunity for all the parties to consider the matter. That was in this morning's statement.

Mark Durkan: May I take the Minister back to the points about consultation that may be involved when the committee is formed? Will he assure us that that consultation will not just be through the usual channels with the Opposition, but will involve all parties? As a matter of principle, my party has never accepted nomination to the House of Lords, and we were singularly excluded from any consideration in relation to the committee that has been formed on that matter.

Mr Harper: I take the hon. Gentleman's point on that and thank him for making it. Given the nature of the matter, it would be helpful if the committee were wide ranging. That is also a good reason not to be too specific about, for example, the size of the committee. Clearly, we need to ensure that Members from all parts of the House are able to be represented properly. On setting down how big the committee should be, there is, of course, a tension if committees are too large, but if they are too small they can be too narrow. It would be helpful to be able to have that debate when we know something about how the measures have worked in practice.

Chris Bryant: Will the Minister be straight and guarantee that he will ensure that there is consultation with the opposition parties on the terms of reference of the West Lothian commission?

Mr Harper: With respect, we are debating the motion. The hon. Gentleman and I can have a conversation about the West Lothian commission elsewhere.

Chris Bryant: So you won't?

Mr Harper: I have only a few minutes and I am trying to deal with the points that hon. Members have raised.

Thomas Docherty: Will the Minister give a guarantee that he will consult the First Minister and the Deputy First Minister of Northern Ireland about this committee and about the West Lothian commission?

Mr Harper: On this committee, the Prime Minister will of course be able to consult others. The operation of this Parliament, though, is a matter for this Parliament, so I would not necessarily expect that to take place. I should also correct one thing that was said earlier: we have changed the terms of the Scottish Parliament and the Welsh Assembly, but we have not made any changes to the terms of the Northern Ireland Assembly. Those matters were left for consultation between the parties. It is worth putting that on the record.

I think I have dealt with the issues I noted down that were raised by Members on both sides of the House. I urge the House to support the motion.

Question put.

The House divided: Ayes 253, Noes 190.

Division No. 343] **[2.3 pm**

AYES

Adams, Nigel
Afriyie, Adam
Alexander, rh Danny
Amess, Mr David
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Duddridge, James
Duncan, rh Mr Alan
Dunne, Mr Philip
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick

Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Horwood, Martin
Howell, John
Hughes, rh Simon
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Llwyd, rh Mr Elfyn
Long, Naomi
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Maude, rh Mr Francis
May, rh Mrs Theresa
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Morris, Anne Marie
Morris, David
Mosley, Stephen
Mowat, David
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Reevell, Simon
Reid, Mr Alan
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Henry
Smith, Julian
Soubry, Anna
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Wallace, Mr Ben
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wishart, Pete
Wright, Jeremy
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Miss Chloe Smith and
Mr Robert Goodwill

NOES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Bayley, Hugh
Begg, Dame Anne
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Bone, Mr Peter
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Cash, Mr William
Caton, Martin
Chapman, Mrs Jenny
Chope, Mr Christopher
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Dakin, Nic
Davies, Philip
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Docherty, Thomas
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hamilton, Mr David
Hanson, rh Mr David
Havard, Mr Dai
Healey, rh John
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hollobone, Mr Philip
Hopkins, Kelvin
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Ian
Mactaggart, Fiona
Mahmood, Shabana
Main, Mrs Anne
Mann, John
McCabe, Steve
McCann, Mr Michael
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann

McKenzie, Mr Iain
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Nuttall, Mr David
O'Donnell, Fiona
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Rees-Mogg, Jacob
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Shepherd, Mr Richard
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Mr Andrew
Turner, Karl
Twigg, Derek
Umunna, Mr Chuka
Vaz, Valerie
Watts, Mr Dave
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mark Hendrick and Gregg McClymont

Question accordingly agreed to.

Point of Order

2.17 pm

Chris Bryant (Rhondda) (Lab): On a point of order, Madam Deputy Speaker. This relates to what we have just been discussing, so I am sorry that the Minister has already fled the Chamber. A written ministerial statement relating to the commission on the West Lothian question was tabled this morning. It states that the Government will

"consult with Mr Speaker and other Parliamentary authorities"

on how the commission can be created and how it will consider matters relating to how Parliament should address the West Lothian question. We note that that puts any onus to consult other political parties on the Speaker. I hope that you will take back to Mr Speaker the Opposition's hope that all political parties in the House will be consulted before terms of reference are brought forward and the membership of the commission is agreed. I raise this as a point of order only because the Government have decided to put the matter of consultation in the hands of Mr Speaker.

Madam Deputy Speaker (Dawn Primarolo): As the hon. Gentleman knows, strictly speaking that is not a point of order for business today, but he has made his point on the written ministerial statement, and I am absolutely confident that Mr Speaker will have considered all the necessary matters that will involve him. The hon. Gentleman can rest assured that Mr Speaker will discharge his duties accordingly.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): Further to that point of order, Madam Deputy Speaker. I will read what the hon. Gentleman has said in *Hansard*—I did not hear all of it, because he did not do me the courtesy of notifying me of his intention to raise a point of order. Had I heard all of it, I would have been able to respond now. I will respond at a later date.

Madam Deputy Speaker: Minister, we are grateful for your offer of help. I am sure that the House will now be able to proceed with the business before us.

London Olympic Games and Paralympic Games (Amendment) Bill

Consideration of Bill, as amended in the Public Bill Committee

Madam Deputy Speaker: Before I call the Minister, I wish to inform the House of an issue that will need to be dealt with. I understand that amendments to the Bill tabled by the hon. Member for Christchurch (Mr Chope) on Tuesday evening did not appear on the amendment paper. The reasons for this, which are currently unknown, are being urgently investigated. As this oversight has been discovered at such a late stage, I do not consider it appropriate to select the hon. Gentleman's amendments. However, he can be confident that he will be able to raise his substantive concerns about the Bill during this afternoon's proceedings.

Mr Christopher Chope (Christchurch) (Con): Further to that statement, human error has obviously intervened in the matter, and it is the first time in 28 years—since I was first elected—that amendments which I have tabled have not been translated on to the amendment paper. It is a pity that I was on parliamentary business abroad yesterday and did not realise that there was a problem until first thing this morning, but I am happy that we will be able to discuss at least the substance of my amendments under the debate on new clause 2. I am grateful to you, Madam Deputy Speaker, for making that indication.

Madam Deputy Speaker: I am grateful to the hon. Gentleman for his co-operation, but as he has said, although this is a very rare occurrence, it is none the less of a nature that needs to be taken seriously and urgently investigated, and I am sure that the Table Office will inform him of exactly why it occurred.

New Clause 1

GOODS VEHICLE OPERATOR LICENCES

After section 16D of the London Olympic Games and Paralympic Games Act 2006, insert—

"16E Goods vehicle operator licences: waiver of procedural requirements

(1) This section applies in a case where, on an application to vary an operator's licence under section 17 of the Goods Vehicles (Licensing of Operators) Act 1995 ("the 1995 Act"), a traffic commissioner is satisfied that—

(a) the variation applied for has a connection with the London Olympics,

(b) there would not, but for this section, be sufficient time to dispose of the application before the beginning of the London Olympics period, and

(c) the circumstances in which the application is being made are such that, but for this section, it could not have been made in sufficient time to be disposed of before the beginning of that period.

(2) The traffic commissioner may direct—

(a) that subsection (3) is to apply in relation to the application, and

(b) if the traffic commissioner proposes to hold an inquiry under section 35 of the 1995 Act in relation to the application, that subsection (4) is to apply in relation to the inquiry.

(3) If the traffic commissioner gives the direction under subsection (2)(a), the following provisions of the 1995 Act do not apply in relation to the application—

(a) section 17(3) (publication of notice by traffic commissioner);

(b) section 18 (publication of notice by operator).

(4) If the traffic commissioner gives the direction under subsection (2)(b), Schedule 4 to the Goods Vehicles (Licensing of Operators) Regulations 1995 (S.I. 1995/2869), in its application to the inquiry, has effect as if for sub-paragraph (3) of paragraph 1 there were substituted—

(3) The traffic commissioner may abridge the periods referred to in sub-paragraphs (1) and (2)."

(5) Section 23 of the 1995 Act (conditions as to use of operating centres) applies in relation to the licence as if the application were an application of which notice has been published under section 17(3) of that Act.

(6) Such variations as are made to the licence on the application, including by the attachment of conditions under section 21 or 23 of the 1995 Act (road safety and operating centres), have effect only during the London Olympics period.

(7) Subsection (3)(a) does not affect the liability incurred in respect of the application under regulation 3 of the Goods Vehicles (Licensing of Operators) (Fees) Regulations 1995 (S.I. 1995/3000) (which requires payment of a fee on an application for variation for which publication is required by section 17(3) of the 1995 Act).

(8) The power to give a direction under subsection (2) includes power to vary or revoke the direction.

(9) In exercising functions under this section, the traffic commissioner must act under the general directions of, and have regard to guidance given by, the senior traffic commissioner.

(10) In this section, "operator's licence" has the same meaning as in the 1995 Act (see section 2(1) of that Act).'".—*(Hugh Robertson.)*

Brought up, and read the First time.

2.21 pm

The Minister for Sport and the Olympics (Hugh Robertson): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker: With this it will be convenient to discuss the following:

Government amendments 3 and 4.

Hugh Robertson: Hon. Members may recall that back in May, when the Bill was being scrutinised in Committee, Transport for London submitted evidence that called for further amendments. TfL argued that in order to ensure that businesses in London continued to receive goods deliveries and operators were able to arrange delivery times that were compliant with time restrictions for the games, amendments to goods vehicle legislation were required. I am very grateful to the Committee for its encouragement to bring forward changes, if necessary. The Government have considered the matter, and as a result I am introducing a small number of technical amendments to address the concerns that TfL raised.

Operator licences are granted by traffic commissioners, TCs, who are independent office holders and statutorily appointed by the Secretary of State for Transport. One matter that a TC is required to consider when granting a licence is the suitability of the operating centre where vehicles are usually parked and maintained. About 1,700 of the 92,000 goods vehicle operator licences in place contain conditions relating to operating centres, such as conditions concerning hours of use. There is an existing process by which operators may apply to vary

the conditions of their licence. In most cases, the Government would expect operators to plan for the need for any variation and to seek it via normal procedures.

Traffic commissioners plan to write to all those operators who have environmental conditions on their licence, reminding them of the need to consider whether the Olympics are likely to have an impact that demands a variation, and to get their applications in now. Typically, for a straightforward case that involves environmental issues, it normally takes between 15 and 20 weeks for an operator's application for a variation to be considered under current statutory processes, and traffic commissioners cannot short-circuit those procedures.

Despite such preparatory steps, however, the Government believe that, owing to entirely unforeseen circumstances such as the award of a short-term haulage contract or a short-notice change to an existing contract, some operators will need to seek a relaxation of their environmental licence conditions shortly before the start of the Olympic period.

Government intervention is therefore necessary to ensure that in such exceptional circumstances—I repeat that it is only in those exceptional circumstances—operators can apply at short notice for a variation to their environmental conditions, particularly in the hours of operation. As a result, new clause 1 would provide for an expedited process that removed the statutory requirement whereby a games-related application needs to be advertised by the operator who has submitted the application. It would remove the requirement for a traffic commissioner to publish the application; it would retain the statutory power of a traffic commissioner to hold public inquiries to seek further information to inform their decision; and it would remove the statutory requirement whereby the notice period for a public inquiry can be abridged only if the consent of all persons entitled to attend a public inquiry is given.

We have considered carefully whether it is proportionate and justified to remove those safeguards, and we consider that it is. Without short-circuiting existing procedures, there will be no way in which an urgent application, arising from unforeseen circumstances around the Olympic games, can be dealt with quickly enough.

Importantly, however, traffic commissioners' powers to determine individual applications would be retained, including their powers to impose additional conditions to counter any environmental nuisance that might result. For example, they may want to stipulate that quieter vehicle operations be followed, such as restricting the use of lorry-reversing beepers. Retaining the discretion of traffic commissioners and their knowledge of operators and localities when considering individual applications would help to avoid any abuse of the temporary flexibility.

Amendments 3 and 4 are consequential to the changes that the new clause would bring in. Taken together, the measures—this is really the crucial thing—should help to ensure that, during games time, goods can be delivered and services provided, so contributing to the successful delivery of the London games.

Mr Edward Timpson (Crewe and Nantwich) (Con): In new clause 1, proposed new section 16E(1)(a) refers to the "connection" that a variation of an application has with the Olympic games. Will my hon. Friend expand on the guidance that will be given to traffic commissioners as to what a connection with the London Olympic games is deemed to be, in order to ensure that their decisions are based on the right criteria?

Hugh Robertson: I take my hon. Friend's point, but to a certain extent I should hope that any connection will be reasonably self-evident. It will refer to things that happen over the Olympic games period, a clearly defined period from 27 July to just before the middle of August, and it will clearly refer only to games-time activities, so I hope that in those circumstances it will be reasonably obvious to the traffic commissioner what they are dealing with.

Tessa Jowell (Dulwich and West Norwood) (Lab): We are pleased to support new clause 1 and the consequential amendments 3 and 4, because, as the Minister has clearly set out and, indeed, our constructive discussions in Committee reflected, new clause 1 and the consequential amendments would allow traffic commissioners to apply a shortened application procedure for haulage operators who want to apply for a change to any environmental conditions imposed on the location where their lorries are kept, particularly the hours that they may operate in and out of that location.

That flexibility is of enormous importance during the period of the games, as many haulage operators may need to adjust their operations in response to increased delivery restrictions in London, as well as in other areas of Britain where Olympic events are being held.

I will come on to this point when we discuss new clause 2, but it is my firm belief that although some of the operational necessities of the games may cause inconvenience for individuals and businesses, we should do all that we can to keep that inconvenience to a minimum. Again, there was a strong consensus on that in Committee.

New clause 1 is therefore a sensible measure that will make it easier for haulage operators to adjust to difficulties that they may experience as a result of the games. It forms part of a critical wider programme led by Transport for London to encourage individuals and businesses to change their travel behaviour and arrangements during what will be, by any measure, a challenging time for London's transport system. I think that Members on both sides of the House are confident that London will rise to that challenge, and we are happy to offer our support.

Mr Don Foster (Bath) (LD): May I begin by saying that I was mildly disappointed with the business managers—this is absolutely no criticism of you, Madam Deputy Speaker, or Mr Speaker—for selecting today of all days to debate this important Bill, given that many of us who are here would far rather be celebrating with our Paralympians as today is Paralympics day? Perhaps there will be an opportunity later today to do that.

2.30 pm

The new clause and the consequent amendments are very important. During one of the excellent sittings in which the Committee took oral evidence from expert witnesses, I asked Mr Garrett Emmerson of London Streets, which is a Transport for London body,

"are you confident that we have sufficient powers, or that sufficient powers will be given to the right people, to deal with freight vehicles on our roads that are delivering to keep our city running smoothly?"

I stress the words about keeping the "city running smoothly", because this is not just about ensuring that what needs to be done for the 2012 games happens. He replied:

"We have identified a major concern about the ability of freight operators to service the business community at key times during the games."

He went on to say:

"A single-day event, such as the royal wedding, is a very different proposition from three weeks of a continuous event. For a single day, it is not a particularly huge challenge to say, "Well, actually, we can't make a delivery on Friday; it will have to come on Thursday or Saturday." But the sustained duration of this event creates a very different proposition for businesses."—[*Official Report, London Olympic Games and Paralympic Games (Amendment) Public Bill Committee*, 17 May 2011; c. 41, Q87.]

Because of those concerns, TfL and other bodies have been working hard to warn the business community of changes that will take place during the Olympic and Paralympic games, and to provide it with as much help and support as possible to alter its arrangements. That will of course impact on things such as deliveries to businesses. The examples are pretty obvious: pubs need beer, sandwich shops need bread and businesses need photocopier paper—the list is endless. Businesses that have planned will organise their deliveries to come at the right time. It is fabulous that TfL and others are giving plenty of notice to such organisations. Even today, TfL has had a session with more than 70 major freight operators to advise them that they should be working with the people they supply, so that those people, in turn, can plan accordingly.

The issue is what happens if a business has not been far-sighted and efficient enough to plan with its supplier the deliveries that it needs in order to keep going. My question to the Minister is whether those circumstances are envisaged in the language that is used in the new clause, which states that the variation applied for

"has a connection with the London Olympics".

That is somewhat different from being influenced by the London Olympics. I assume from the Minister's response to an earlier intervention that that interpretation is the one that he is using. However, that would not necessarily fall within his other comments that something should be "urgent" and "unforeseen". In some cases, it might just be down to the incompetence of the person who needs the supplies.

The Minister says that he hopes the new clause is reasonably self-evident. I am not convinced that it is. If he gives a very clear explanation that it will apply to circumstances that occur because of the London Olympics, with all the caveats that he set out—of course the traffic commissioners will consider whether it really is necessary—that will solve the problem. I look forward to him giving that assurance when he responds.

Hugh Robertson: I think I can be very brief, Madam Deputy Speaker. I give the right hon. Gentleman that assurance. On that basis, I hope that we can agree to the new clause.

Question put and agreed to.

New clause 1 accordingly read a Second time, and added to the Bill.

New Clause 2

OPERATION OF OLYMPIC ROUTE NETWORK

'(1) Section 11 of the London Olympic Games and Paralympic Games Act 2006 is amended as follows.

(2) In subsection (4) in paragraph (a) leave out from "unless" to end of paragraph and insert— "the following have been consulted—

(i) the highway authority, traffic authority or street authority with responsibility for each road designated in the order, and

(ii) members of the public living in the Greater London Authority area and in the local authority areas through which roads designated in the order run,".

(3) In subsection (4) after paragraph (a) insert—

"(aa) may not be made unless the consultation under paragraph (a) considered—

(i) proposals for the minimisation of disruption to the general public due to the operation of the Olympic Route Network,

(ii) proposals for informing members of the public in relation to the proposed Olympic Route Network and its likely impact on local and regional traffic,

(iii) proposals for maintaining road safety and preventing accidents which might result from operation of the Olympic Route Network,

(iv) proposals for allowing taxis licensed under section 37 of the Town Police Clauses Act 1847, section 6 of the Metropolitan Public Carriage Act 1869 or under any similar enactment to use the Olympic Route Network in appropriate circumstances, and

(v) proposals for ensuring that the Olympic Route Network and related restrictions should be in operation for the shortest time possible in order to achieve the purposes set out in subsections (1) and (2).".—*(Tessa Jowell.)*

Brought up, and read the First time.

Tessa Jowell: I beg to move, That the clause be read a Second time.

I want to begin by expressing our support for the changes to the management of traffic, on which we gave undertakings in the bid book. Olympic lanes were a condition of bidding for the games, and they are vital in ensuring that we have a smooth flow of key people to and from events. In the bid book, as the Minister will be aware, we made a commitment to

"a designated ORN"—

Olympic route network—with Olympic lanes

"to speed the journeys of the Olympic family."

My purpose today is to raise some of the operational issues concerning the upheaval—the welcome upheaval—in prospect for our city which, for those of use who are London MPs, will have been raised by our constituents. It is important that we work constantly until and throughout the games to ensure that any difficulties faced by Londoners and residents of other parts of the country that are hosting Olympic events are kept to an absolute minimum.

First, we need to make sure that even better information is provided about the ORN plans, remembering that an announcement made 18 months before the games must be repeated at very regular intervals right up until the games. Otherwise, people do not feel that they have been properly informed and will not understand how they have to reorganise their journeys and so forth, and that is not good enough. One of the lessons from the test events was the importance of not just telling people

but telling them again and again in a spirit of support for minimising the disruption that they face. We must therefore review the effectiveness of the information strategy.

The Olympic Delivery Authority and Transport for London have done a really excellent job in consultation on the route, but that process, as the Minister will remember, has gone on for a very long time. There is a difference between mere consultation and information that enables people to manage their lives. Londoners and those from other parts of the country living on or near the ORN will at times undoubtedly face quite serious levels of disruption. Through distributing clear information widely and early, the Government and the Greater London authority can help all those affected to prepare, and not to get too angry but to feel that they were duly warned.

Businesses will not be able to receive deliveries in normal hours. Postal and refuse collection services for residents will be disrupted. Taxi and private hire drivers may face long delays and loss of custom. Local residents and businesses need clear and detailed information in as many different forms and languages as possible so that they can plan for the period when the Olympic lanes will be in operation. Will the Minister assure the House that the Government will take all necessary steps to review the quality of information and perhaps do a bit of testing of how widely the impact of the ORN is understood?

Lyn Brown (West Ham) (Lab): One of the issues that has been raised with me by residents is how long this Olympic lane is going to be in place—100 days, which far exceeds the duration of the Olympic games and the Paralympic games.

Hugh Robertson *indicated dissent.*

Lyn Brown: I am pleased to see the Minister shaking his head. However, the fact that I think, and my residents think, that the lane will be in place for that long is a worry. I agree with my right hon. Friend that information is vital to keeping local residents on board with what is going on, because I get a very small but significant postbag from those who are already complaining about the disruption they are facing and are likely to face.

Tessa Jowell: I thank my hon. Friend, whose constituents have perhaps had to bear more of the dust and upheaval of the Olympic park construction than anybody else.

Hugh Robertson: But get the new football stadium.

Tessa Jowell: Yes, and we say hooray for the new multi-purpose football stadium in the Olympic park. Hopefully at least some of my hon. Friend's constituents will think it is worth it. I know that the Minister will want to reply to her point.

The second matter of concern that people are beginning to raise is the impact of changes to traffic signals, and the fear that they will significantly increase congestion throughout London. I wish briefly to share a reminiscence with the House. When the evaluation committee came, we were all on our very best behaviour, wanting to persuade the International Olympic Committee that London was the place to host the games. I know that the Minister was very much part of that evaluation visit. We were coming down Gower street, which is normally an area of considerable congestion leading down to Cambridge circus and Trafalgar square. It normally takes about 20 minutes to get from the top to the bottom. As the bus turned into the top of Gower street, all that I could see, right down to the bottom, were green lights. I feared that that might seem implausible, so I suggested that perhaps we might see one red light on our journey down. The point is that the conditions that the evaluation committee enjoyed will not prevail during the games themselves. I hope that there will be close scrutiny of the impact of changes to traffic signals.

Will the Minister also undertake to work with the Olympic Delivery Authority and the Mayor of London to ensure that information about traffic signals is made public without further delay? That is necessary for precisely the same reason as my previous request: we need to prepare people for the degree of extra congestion that they may have to navigate around.

The substantive question on the new clause is whether we can minimise the number of people who will use the Olympic lanes. We know that 97% of those arriving at the Olympic park are expected to arrive by public transport. That is a very good thing, and it will certainly be a lot quicker than getting there by car, except for members of the IOC and athletes. We have to remember that Olympic lanes were specifically designed in the wake of Atlanta to make it easier for athletes to get to the Olympic park or their Olympic venue on time and to prepare properly for their event. We should constantly draw attention to who is eligible to use the Olympic lane, and to the fact that the rest of London will get to the Olympic park on the fantastic new transport in which so much has been invested. I am quite sure that the Minister and Members of all parties will set an example in the form of transport that they choose.

If there is a sense of two classes of travellers to the Olympic park—those whose journeys are hell and those who glide down the Olympic lanes—we have to anticipate that that will quickly become a source of tension, because London is that type of city. I know that the Minister, who has shown great sensitivity about such issues, will be aware of that, and I hope we will do everything we practically can, consistent with the undertakings that we gave, to mitigate the tension.

The third point raised by new clause 2 is on pedestrian crossings. The Opposition are asking the Minister to work with the Olympic Delivery Authority and the Mayor of London to look again at this issue. The latest projection—the Minister may want to correct this—is that more than 60 pedestrian crossings will be closed for months on some of the busiest roads. Although we understand the need for rapid transport between venues, it is important that we do not compromise road safety. In addition, we cannot have a situation in which significant parts of London are effectively divided in half, with residents unable to cross roads.

2.45 pm

The fourth point in the new clause is on taxis and private hire drivers. Will the Minister agree to work with his colleagues, the ODA and the Mayor to examine whether it is feasible for taxis to use the Olympic road network in certain specified areas or at certain specific

times? This is an important industry in London and the views of taxi drivers are important in shaping the reaction of visitors.

Mr Foster: The right hon. Lady is absolutely right that getting taxi drivers in London on our side is crucial in the campaign for wider public support, but before she moves on to her fifth point, will she explain a little the language she has chosen to use? She is basically proposing that appropriate taxis should be able use the Olympic route network in appropriate circumstances, but what does she have in mind?

Tessa Jowell: The language is flexible, because how greater flexibility is delivered is an operational matter for the ODA and Transport for London. A number of possibilities are covered. It might include access to the Olympic lanes for taxis early in the morning or late at night, when their use for Olympic transport is not at its maximum, or use could be restricted to black cabs—we would want to avoid suddenly having a whole lot of operators claiming to be taxis and therefore eligibility to use the Olympic lanes. Those are two examples of greater flexibility, and we would be grateful if the Minister, with the ODA and TfL, could examine them.

Lyn Brown: In respect of local businesses within Newham, I would be remiss if I did not say that if taxi cabs were allowed to use the Olympic route, registered minicab firms in the borough, which will need to find a way to profit from the games, may also wish to be considered. Should the Minister choose to look at the matter in the round, he could give greater consideration to the use of the Olympic lanes by private hire cars.

Tessa Jowell: I am sure that the Minister heard my hon. Friend's representation. However, the three or four points that I have made underline the complexity of the matter. That is why the new clause is drafted in general terms. I do not feel that the Opposition are in a position to be prescriptive, but we are inviting the Minister to engage in discussion. He is as aware as I am of the tension arising from this matter. One of the great joys of being a regular broadcaster on London's Biggest Conversation, which has an enormous listening audience of taxi drivers, is that I get the red meat from them—feelings are very strong. We would not be doing our proper duty if we did not respond to that, demonstrate that we have done so, and used our best endeavours.

Bob Blackman (Harrow East) (Con): One of the matters that the right hon. Lady has not mentioned, but which is mentioned in the new clause, is consultation. The whole of the Greater London area is mentioned in connection with the potential consultation. I suspect, however, that as we get closer to the games, lots and lots of people in the area will have something to say and that we could end up with death by consultation. We could be overwhelmed. Will she clarify, therefore, exactly what she means by consultation, what form it would take and when it would happen? If she intends to press the new clause to a vote, some of us on the Government Benches might be sympathetic, but we would need further details.

Tessa Jowell: Perhaps uncharacteristically in this place, we do not intend to press the new clause to a vote, subject obviously to the Minister providing satisfactory assurances on the points raised. The most important thing is that he raises them with the relevant authorities and that we find a solution to the growing concerns of Londoners about the prospect of Olympic lanes. This is but one example of very many that we will face in the weeks—47 now, I think—before the games. We have to be vigilant and focused on helping the relationship between the huge festival that is the Olympics and the daily lives and convenience of Londoners and London businesses.

In conclusion, I hope that I have—fairly briefly—made clear our concerns, which are reflected by Members who represent London constituencies on both sides of the House. I have had some helpful discussions with the Minister, and I am sure that we will listen eagerly to this reply.

Mr Chope: It gives me great pleasure to support the new clause tabled by the right hon. Member for Dulwich and West Norwood (Tessa Jowell). She said that she was not going to push the matter to a vote, but she might change her mind when she hears what has happened in my constituency over the so-called consultation—or lack of—on part of the Olympic network.

Mr Deputy Speaker, as was indicated by Madam Deputy Speaker earlier, I tabled a series of amendments and new clauses that, owing to a glitch, did not appear on the Order Paper, but which reflected the spirit of the right hon. Lady's new clause. One of my amendments would have required that no road closure or restriction be operated outside the London Olympics period as defined in the London Olympic Games and Paralympic Games Act 2006. I tabled that amendment because we, in my constituency, are concerned about the disruption that will be caused to local residents and businesses well before the games start by the execution of improvement works at the Canford Bottom roundabout.

The right hon. Lady and others will recall that we discussed this matter on Second Reading on 28 April. I make no apology for returning to the subject today, however, because on that occasion I said that clause 4 would be helpful because it would enable the authorities to impose restrictions on side roads and local authority roads, thereby avoiding the need for the Canford Bottom improvements to be pushed through in defiance of local public opinion before the Olympics. That is how it was left on Second Reading.

My hon. Friend the Member for Mid Dorset and North Poole (Annette Brooke) and I then went to see the Minister with responsibility for roads, who was extremely helpful and accommodating, and said that there must be a proper public meeting and public exhibitions of the proposals, which was not what the Highways Agency originally proposed. Unfortunately, the exhibitions and the public meeting did not take place until the last week or two of July. What concerned my hon. Friend and me at the public meeting was that even at that late stage the Highways Agency had not produced the data about the impact of the closures and the works on local people and local businesses. That meeting took place after the House had gone into recess, but to give due credit to the Minister, he intervened and said that he would not allow the contract for the works to be let straight away, because it was important that the data, which had been promised for months if not years, should be made available to my hon. Friend and me and to the local highways authority.

Two weeks later we got a letter saying that the data were now available—they had been put up on some website. Unfortunately, that same day, before the data had been examined by my hon. Friend the Member for Mid Dorset and North Poole or me, or by the other people to whom it had been sent, we were told that the Minister was going to authorise the letting of the contract because he needed to be able to deliver the Olympic route. Under the terms of the Bill, it would not be necessary for him to have those works carried out at the Canford Bottom roundabout in advance of the Olympics, because he would have the power to restrict the local roads at the time and thereby compensate for any other traffic jams that might arise. We therefore faced a situation where the Minister, by his own admission, was contradicting what he had told my hon. Friend and me when we went to see him, namely that the issue of the improvements to the Canford Bottom roundabout was totally separate and apart from the London Olympics route network. It has now become apparent that the Olympic authorities are dictating the terms of the process and riding roughshod over local public opinion. They are also ignoring the representations made by the local highways authority, in so far as it has received sufficient information to enable it to make such representations.

This is a very serious issue. Many Members might not be familiar with the Canford Bottom junction, but it is on the main A31 trunk road where the road changes from being a dual carriageway going west, and it is subject to significant congestion and delay, particularly at peak times. It seems that it is the purpose of the Highways Agency and the Olympic Delivery Authority to ensure that the A31 runs fine, but in so doing to ignore the needs of the other users of that roundabout. When I say that more than 60,000 vehicles a day use that roundabout, I hope that that puts the situation into context for hon. Members. We are not talking about some local roundabout; a roundabout taking more than 60,000 vehicles a day is an extremely busy roundabout. Indeed, it may surprise Members to know that at peak times, two thirds of the vehicles using the roundabout are not using the A31 in both directions, but are using the minor roads going off the roundabout. That means that at peak hours in the morning, when 4,500 vehicles an hour use the roundabout, some 3,000 of them are using the local roads—that is, they are either coming in from one of the four local roads or egressing along one.

What is going to happen to those vehicles? The Highways Agency and the Olympic Delivery Authority are now saying that in order to construct the hamburger junction, which will involve more than 70 traffic lights—*[Interruption.]* I knew that my reference to the hamburgers would get the right hon. Member for Bath (Mr Foster) excited again, as it did on a previous occasion.

3 pm

Mr Foster: For the avoidance of doubt, the hon. Gentleman will well recall that I asked him to give a definition of a hamburger junction on the last time he raised it. I fully understand, as will all Members, what a hamburger junction is, so we do not need it repeated today.

Mr Chope: Absolutely. I cannot remember whether you, Mr Deputy Speaker, were in the Chair last time, but in the course of the discussion the right hon. Gentleman was guilty of making some rather poor-quality jokes about whether or not hamburgers were going to be sponsored in the Olympics and so forth.

This hamburger junction construction is a really significant issue. I am delighted to see that the Under-Secretary of State for Transport, the hon. Member for Hemel Hempstead (Mike Penning) is now in the Chamber. He will, I hope, come down and visit this part of the network. If he does so, he will realise the implications of the prospect of total closure of all the side roads off that junction, day after day during five weeks when all four sections will be closed off. That will mean that in the peak hours, 3,000 vehicles an hour that use that junction now will not be able to use it. The consequences in terms of disruption to local businesses and local residents are absolutely beyond comprehension.

Last week, there was an incident on the road between West Parley and Longham—one of the side roads that leads ultimately into the Canford Bottom roundabout—as a result of which that road was closed. The traffic chaos, which extended well into the Bournemouth conurbation and had repercussions as far away as Poole, was enormous. There was a great deal of local anger, yet that was a closure that lasted only a few hours. What we are talking about now is a closure for 12 continuous weeks.

If this were happening in your constituency, Mr Deputy Speaker, you would have done exactly the same as me—raise the matter with the local highways authority. I put the point that if we can keep the main parts of the roundabout for the A31 running during working hours, why cannot we allow the side roads to operate—at least during peak periods or during the working day. The highways authority, Dorset county council, told me that it had been presented by the Highways Agency with some 10 different options for the construction of this hamburger junction. Those options ranged from closing off all the roads completely for 24 or 48 hours and doing the construction quickly, thereby minimising the expense and duration of the works but maximising the disruption to all traffic to, at the other extreme, closing none of the roads at peak times, with the works taking longer and perhaps costing a bit more.

As a result of the pressure of the ODA and the imperative to get this junction improved before the Olympic games—as I say, it is unnecessary, but it has now apparently been imposed on the roads Minister by his counterpart, the Minister for Sport and the Olympics—local businesses and local residents will suffer an enormous amount of disruption. In my submission, that is not consistent with the avowed intent of the Government, as expressed in paragraph 84 of the Bill's explanatory notes, according to which:

> "The Government's aims in providing for, and enforcing, traffic restrictions required for the 2012 Games"

are

> "to minimise the impact of the 2012 Games on local businesses and residents going about their everyday business."

I have to tell my hon. Friend the Minister, and my hon. Friend the Minister responsible for roads, that those words ring extremely hollow in the Christchurch constituency, and in the neighbouring constituency of Mid Dorset and North Poole. I am sure that, in due course, when the residents of the Poole constituency, as well as the constituencies of Bournemouth East,

[Mr Chope]

Bournemouth West and North Dorset, realise the disruption that will be caused, the clamour for something to be done will become even greater.

In my view, prevention is better than cure, and it is not too late for the Government to intervene. They could say either that the construction works should not be carried out until after the London Olympics, or that they should be carried out using a different method that would enable the local traffic to flow, especially during peak periods. The consequences of the total closures to which I have referred will be completely disproportionate.

I have no doubt that if local people had known in advance about the data, which were supplied by the Highways Agency at the insistence of my hon. Friend the Minister only in the middle of August, there would have been uproar. They would have said that the plans were intolerable. Indeed, local businesses were not told about the proposed closures until the middle of August. They have now been told by EnterpriseMouchel, which works for the Highways Agency, that there will be road closures for 12 weeks from the middle of February 2012 until the beginning of May. That obviously includes the Easter period. My hon. Friend the Member for Harrow East (Bob Blackman) is looking at me with incredulity at the prospect of major roads being closed for that length of time.

It is impossible to over-emphasise the gravity of the situation. I do not think that the Highways Agency or the Olympic Delivery Authority have any notion of the anger that is going to be generated when people see what is happening on the ground and realise that there was, and still is, an alternative. This is not like when a motorway has to be closed following a fatal accident, which is an act of God—or perhaps not. We know that this is going to happen, and we ought to be able to plan for it and bring in the necessary traffic management measures to ensure minimum disruption to the local traffic. However, because of the imperative of getting the work done before the Olympics, local businesses and residents are going to be put through an enormous amount of inconvenience.

I cannot even get an answer on whether it will be possible for pedestrians to cross from one side of the junction to the other during the course of the works. A detour of perhaps four or five miles will be required for motorists, through congested urban conditions. That will add hours to people's journeys and do immense economic damage to the locality. When we discussed this on Second Reading, my hon. Friend the Minister said that that was the first he had heard of the problem. I hope that he will now look into the matter again. His Bill enables him to say that the works should be half-completed or curtailed before the Olympics. They do not have to be finished until after the games, and if that is the price of enabling local people to go about their normal lives without disruption, so be it.

Another point relates to the substance of whether the junction improvements are valid. Only when we obtained the data did the position become clear. Although the Highways Agency and others had asserted that everyone would be better off when the improvements had been completed, it was clear from the small print that, even during peak hours, vehicles coming off the eastern part of Wimborne Road West would experience greater delays than they do at present, and that the same would apply to Wimborne Road West in the evening and Ham lane in the morning.

As for off-peak periods—and, of course, much of the day is off-peak, given that the peaks are defined as two hours in the morning and two hours in the evening—it is clear that, contrary to all the assertions, delays on the local roads will increase. That too was not made clear during the consultation, and the Highways Agency—perhaps in the knowledge that the consequences of declaring openly what was going to happen would be adverse to it—did not communicate the effects to local people. This is a serious example of the need for consultation with the local highways authority, but either there was no such consultation or, if it did take place, the highways authority has not been listened to.

When I raised the matter with the traffic manager at Dorset county council's environmental directorate, he told me that the proposals considered with the Highways Agency included 10 different options for dealing with the traffic. The issues that they took into account were disruption to the network, buildability, and value for money. I asked what the county council thought, and at that stage it became rather difficult to engage with it. I asked a specific question: did the council believe that the proposals to block access and egress from all four local roads for such a long period was reasonable, or did it place a disproportionate burden on local residents and businesses? I also asked it to look at the 10 possible scenarios, but I am sorry to say that I did not receive a very clear answer from the highways authority. I am not sure whether its members had really got their heads around the gravity of what is proposed. The area contains many major businesses, including aerospace manufacturing, and those businesses—not to mention people going about their own ordinary daily business—will be greatly inconvenienced.

If my amendments had been printed and selected, it would have been possible for the Bill to include the commitment made by the Minister earlier and repeated by the Under-Secretary of State for Transport, my hon. Friend the Member for Hemel Hempstead—who is responsible for road traffic—that the disruption to local businesses and residents would be minimised. It is clear from what has happened so far in relation to the A31 and the Canford Bottom improvements that that commitment is not being fulfilled.

I hope that the Minister will relent between now and the beginning of the disruption that is due to start in February. As was established on the last occasion when we discussed the matter, any competitors or officials wanting to go to the Weymouth site will need to be there in good time. They will not want to risk a delay to their journey at the Canford Bottom roundabout, which, in any case, is probably a good hour and a half's drive from the Olympics venue. Officials and media people may want to bear that in mind.

3.15 pm

I notice that my hon. Friend the Member for Mid Dorset and North Poole is now in her place, and I hope she will join in the debate, in order to emphasise that this is not a party political matter, but rather a constituency matter of the highest order. We do not have the luxury of having any motorways in Dorset, and we do not have many trunk roads either, but we expect those that we do

have to be managed and dealt with in a way that is much more friendly towards the needs of the local people than seems to be the case at present.

I said I would not speak at length and I have resisted quoting from much of the extensive correspondence I have had with the Minister and officials. I hope this debate—and, perhaps, the protests that will follow if the Government do not relent on the proposed 12-week closures—will bring home to them the fact that local people take this issue very seriously.

Annette Brooke (Mid Dorset and North Poole) (LD): I endorse the points that are being made. The Olympic games are a wonderful opportunity for this country, but the impact on our area is beginning to be very considerable, and some of it is causing a great deal of resentment and fear among local businesses. In respect of these road works, due consideration must be given to our local economy and the way of life of local people.

Mr Chope: I am grateful to my hon. Friend for her intervention and her support for our line; we have been operating on this issue together. We have been in the dark for quite a lot of the time, but we have worked hard to try to cast some light on the issue.

There is much talk about the Olympic legacy, and perhaps the Minister will refer to that in his summing up. I fear, however, that the Olympic legacy in my constituency will be people saying, "The Canford Bottom roundabout should have had a proper improvement, but instead a half-baked hamburger junction has been incorporated that will not on any view solve the long-term traffic problems. That was the price that had to be paid for the Olympics."

I think it is too high a price, and it is also an unnecessary price, because there could have been a little more consultation and rational thought about this matter. We could have delayed the improvements until after the Olympics and thus ensured that they would deliver real benefits to local road users, as well as to national road users using the important A31 network.

Mike Freer (Finchley and Golders Green) (Con): I rise to make a few brief remarks on new clause 2. I urge the Minister to ignore the siren voices calling for yet more consultation as we near the Olympic period. While the Opposition will not press their amendments to a vote, I fear that the Minister might choose to acknowledge their sentiments and take on board what they propose.

I am not generally a great fan of Transport for London, but I have to say that its consultation on the Olympic network has been exemplary. Phase 1 addresses the A12 Leytonstone to Redbridge roundabout. Although it is not in my constituency, it is an important London junction, and TfL has written to every resident and business within a certain distance, informing them of all the changes and proposals. It has also held three drop-in sessions, and that procedure has been repeated for every phase.

Lyn Brown: I represent the constituency in which the Olympic park is based, and I can tell the hon. Gentleman that I have a small but very significant postbag from residents who are not aware of things that are happening on their doorsteps and that affect their everyday lives, such as whether or not they can go down certain roads, which roads are closed and how much noise, inconvenience and dust will be created. Although I hear him saying on behalf of his constituents that the good people of Finchley are not in need of further information and consultation, the good people of Newham would be very grateful to be kept properly informed of everything that will happen over the next year and more that will affect their quality of life.

Mike Freer: I thank the hon. Lady for that intervention. I cannot comment on the ability of her constituents to absorb information, nor on the ability of mine to do so. What I am saying is that this new clause is unnecessary. It is not for primary legislation to dictate to Transport for London or the ODA exactly how and when they should consult. They are consulting on the major phases extensively and, unusually, TfL is doing that quite well. Members of the public and Members of this House may feel strongly about the consultation, but the consultation for phase 1 in central London is still open, and it will remain open for another week. All I am saying about this new clause is that the Minister needs to be careful not to burden the ODA with a raft of consultation and information requests that are ill-defined and will, at some point, allow people to say—

Lyn Brown: Will the hon. Gentleman give way?

Mike Freer: No, I am just making a general point about the quality of consultation on the priority route networks.

Under Mayor Johnson, TfL has been exemplary on this occasion. My hon. Friend the Member for Christchurch (Mr Chope) made a powerful case about consultation, and perhaps we should extend the purview of Mayor Johnson to Christchurch, as that might improve the level of consultation on my hon. Friend's local council.

Mr Chope: My point is not about the lack of consultation by the local council; it is about the lack of involvement of the Highways Agency.

Mike Freer: I stand corrected. My general point is that the new clause, whether or not it is pressed to a vote, asks the Minister to take on board a raft of additional consultations. It asks us to consult and inform ad nauseam, yet it is ill-defined.

Lyn Brown *rose—*

Mike Freer: I have already said that I am not going to give way further on this, as I am making a general point. The Minister needs to be careful not to burden the ODA and the relevant authorities with ill-defined requests, ad nauseam, for information. Thus far, TfL has been exemplary and the Mayor of London has done an excellent job, and I urge the Minister to ignore the siren voices.

Hugh Robertson: With respect, Mr Deputy Speaker, and with the permission of the right hon. Member for Dulwich and West Norwood (Tessa Jowell), I shall deal with Canford Bottom roundabout first and then return to her new clause.

Stephen Pound (Ealing North) (Lab): Bottom up then, is it?

Hugh Robertson: It is actually the military principle of securing one's rear before one advances. There will be an unfortunate double entendre, if we are not careful.

It is a well-defined principle of the Olympics, or it certainly has been in the 15 or 16 months of our work on the Olympics, that issues lie where they fall. Thus, despite the fact that my Department—the one that the right hon. Lady presided over before the election—has primary responsibility for the delivery of the Olympics, where detailed issues arise they lie with the Department that is primarily responsible for them. So anything to do with the management of overseas dignitaries lies with the Foreign and Commonwealth Office, anything to do with Olympic security lies primarily with the Home Office and anything to do with transport lies primarily with the Department for Transport. So I feel a little bit like a duck caught in the shooting gallery this afternoon.

My hon. Friend the Member for Christchurch (Mr Chope) raised a great number of his concerns on Second Reading, and I undertook then to ensure that they were correctly raised with the Department for Transport. The note that I have been given assures me that that has been the case and, indeed, I believe that in his submission my hon. Friend acknowledged that the roads Minister has been closely involved. I suspect that the problem is that we have simply hit a brick wall, in that my hon. Friend does not want this particular scheme to happen but the roads Minister has given authorisation for it to proceed. There has been agreement that the work can proceed, and I believe that it is due to start imminently. The note that I have received states that the highways authority simply does not believe that there is a viable alternative.

I must tell my hon. Friend the Member for Christchurch that I went to Weymouth to have a look at the test event at the beginning of August, when representatives of Dorset county council and the local authority were present. I did not get the opportunity to get held up at the Canford Bottom roundabout. The right hon. Member for Dulwich and West Norwood will be delighted to learn that I set a good example and travelled by train, and so I did not have a chance to see this important roundabout. I must tell my hon. Friend that nobody in and around Weymouth, including Dorset county council, raised this with me as an issue in any way.

Indeed, if one problem came out of that visit—the regatta itself was brilliantly organised and the local authorities are doing everything that they possibly can to deliver a successful regatta at Olympic time—it was the worry that on the super Sunday in the middle of the games, when Ben Ainslie stands a chance of breaking the record for sailing medals at the Olympics, most of the south-west will decamp to Weymouth, thereby gumming up roads for miles around. It was for precisely that reason that they needed to make improvements to the road network. As my hon. Friend knows, one of the reasons why Weymouth will be a great venue is that it is a fantastic amphitheatre, but the town, which is small and has small roads, has a capacity of about 8,000, I was led to believe. Their concerns are rather the reverse and that we should do everything possible to increase access.

I simply do not know what more I can do at this point. It is not within my power as the Olympics Minister to halt these works and it never has been.

Mr Chope: The roads Minister told me that it was not necessary to go ahead with these works prior to the Olympics, but he has effectively told me in a letter that he has now been ordered to go ahead with them because they form part of the Olympic route network. If my hon. Friend the Minister for Sport and the Olympics can do nothing else today, will he confirm that as far as the Olympic Delivery Authority and the Olympic route network are concerned, it is not necessary to proceed with the Canford Bottom construction and improvements before the Olympic games? The route could be secured using the powers in clause 4.

Hugh Robertson: I shall certainly check that for my hon. Friend and, if he wishes, write to him, but the information that I have in front of me is clear—inasmuch as I can read it—that these improvements are required to deliver the Olympics. It is as simple as that.

Mr Chope: Why are the improvements required? How will they make a difference? At the moment, my hon. Friend's powers under clause 4 would enable all the other sides of the roundabout to be closed off, for example. Indeed, local people have said that they would prefer that. They would prefer to have all the roundabout closed off to local traffic during the Olympic games than to have to put up with this disruption and the construction of what seems to be a white elephant project.

Hugh Robertson: My hon. Friend will know, as he was a Transport Minister in the previous Conservative Government, that what local people want is not always the best traffic solution to achieve what people are trying to do on a national scale. We are committed to an Olympic route network—we will come on to that in a minute—and that was a commitment given at the time of the bid. As the right hon. Member for Dulwich and West Norwood has said, many of us are nervous about this, but it was a commitment we made when we signed the host nation contract back in 2005, and it is one that we are contractually obliged to deliver. We have taken advice from the experts—in this case, the Highways Agency—and I have a briefing from it among my notes. I have just received a copy of the letter that was written to the right hon. Lady by the Transport Minister. Both the briefing and that letter confirm that these works are necessary and that they will go ahead. I am sorry that my hon. Friend is so unhappy about it, but I do not see that there is a great deal that I can do.

Mr Chope: Of course, my hon. Friend has to answer for the roads Minister, too, because that is the way this debate is going. My hon. Friend the Minister says that these works are necessary, but does he not agree that if we apply common sense we can see that it is possible to construct such a major new junction without closing the local roads for 11 weeks continuously?

Hugh Robertson: The short answer is that I simply do not know, because I have not seen this roundabout. I am an amateur, not a traffic professional, and I think that even if I went there and had a look, I would not necessarily be sure that I would get it right. That is why we have agencies such as the Highways Agency to give us advice. That advice has been examined and tested by my hon. Friend the roads Minister, and he has written

accordingly. I am afraid that I have no option—and would not take any other up—than to accept his judgment and advice. I am afraid that that is where we are. I accept that my hon. Friend the Member for Christchurch does not like it, but I am afraid that that is the way it is going to happen.

Mr Chope: Will my hon. Friend confirm that he has overruled the roads Minister in insisting that this project go ahead?

Hugh Robertson: No; absolutely not. I have not overruled the roads Minister in any way. I do not have that power, which does not exist.

Annette Brooke: Does the Olympic Delivery Authority have the power to instruct the Minister to give the go-ahead to the road?

Hugh Robertson: I would have to check the requirements of the Act. The ability to set out an Olympic route network was laid out in the London Olympic Games and Paralympic Games Act 2006, which the right hon. Member for Dulwich and West Norwood, the right hon. Member for Bath (Mr Foster) and I were involved in passing five years ago. As the right hon. Lady has said, the power was introduced because there was complete traffic chaos at the 1996 Atlanta Olympics, in which competitors missed their events and officials failed to turn up at the right time because the city became gridlocked. That has been a feature of every Olympics since.

3.30 pm

It is a requirement of the host nation contract to have an Olympic route network between all the key venues. That was given statutory effect in the 2006 Act, so the measure will almost certainly have its origin in that Act. There is a process of consultation between the Olympic Delivery Authority and the Highways Agency about how these things are to be enacted. According to the evidence before me today—the briefing that I have been given—that consultation has been done and a conclusion has been reached. I am very sorry that the two local Members—my hon. Friend the Member for Christchurch and the hon. Member for Mid Dorset and North Poole (Annette Brooke)—do not like it, but it is one of those simple situations where there is a difference of opinion between local Members of Parliament and those trying to design the scheme. Given that the roads Minister has considered all this, having had countless meetings, and come to a conclusion, I do not see much point in prolonging this further because the decision has been made. The only advice that I can give to those Members if they wish to pursue this further is to do so with the roads Minister via an Adjournment debate.

On the amendment tabled by the right hon. Member for Dulwich and West Norwood, let me say at the outset that I entirely appreciate that the thought process lying behind it involves trying to minimise the impact of the Olympic route network on people living and working in the areas concerned. I am very grateful for her confirmation that she supports the general principle. All of us who have been involved in this process, either at the time of the bid or subsequently, recognise why this has to happen, but none of us is enormously enthusiastic about it, because we know exactly what the impact will be. However, it is a necessary safety measure to ensure that the London games are not afflicted by the sort of scenes we saw in Atlanta, with competitors missing the start of their competitions and officials not being able to get there to oversee them.

The importance of this issue was brought home to me at the weekend, when I visited the rowing squad out in Slovenia during the world rowing championships. It is very easy for us to minimise how important these events are to the athletes—the young men and women who are competing for us—but in many cases they have given up other careers and put themselves through an almost monastic existence for the four years running up to events. We owe it to them to make sure that this moment in their lives is as well organised as possible.

Before I address the four points that the right hon. Lady made, let me pick up the point that the hon. Member for West Ham (Lyn Brown) made about the operation of the Olympic route network. I categorically assure her, on the record, that the network will not operate for 100 days—it absolutely will not. It is expected to operate for a couple of days in the lead-up to the games and for a short period after they finish to allow for the arrival and departure of athletes. It then will not operate between the Olympics and the Paralympics, and then the same thing will happen again. The horror stories about 100 days of chaos are very wide of the mark.

Lyn Brown: I welcome the Minister's answer very much, but the figure of 100 days is in the ether, so to speak. A constituent wrote to me about this matter, quoting the ODA website. That is at the back of my mind, although as I stand here I do not have access to the letter, and certainly do not have access to the ODA website. I would be grateful if the Minister's aides considered looking at the website to see how my constituents might have misread the information that they saw in front of them.

Hugh Robertson: I expect, without knowing, that the hon. Lady's constituents misread the information, because in some quarters it is being presented very badly. That is not a criticism of the ODA, although we will certainly look at what she says, but there is a certain amount of mischief making in all this. Many people who write and commentate on the games know that the measure will be extremely unpopular and unwelcome in some quarters, and are making the most of it. A lot of the 100-day scare stories come from that, which is partly why I am happy to put the record straight today.

Bob Blackman: Londoners in general are concerned that we might witness the horrible spectacle of queues of traffic sitting in proper lanes while International Olympic Committee officials are whisked past them in rapid-fire lanes at times when people are not going to the Olympics but are going about their normal, law-abiding business. We can all agree that in the area around the Olympic park there will be a lot of publicity and, therefore, understanding, but in the wider area of London there will be less understanding and less appreciation. Will the Minister assure us that he is doing everything possible to minimise not only the number of days, but the times when the Olympic lanes will operate, so that the inconvenience to Londoners is minimised?

Hugh Robertson: Indeed, my hon. Friend can have that guarantee from me. There can be no better guarantee than the fact that, whatever we signed in the host nation contract, we all know that these measures have the capacity to cause considerable annoyance and irritation at a time when we would like the whole country to come together to celebrate a London Olympics, with the possible exception of the residents in and around the Canford Bottom roundabout.

We are determined to ensure that we operate the network with the minimum possible disruption to London residents. It will operate for only a couple of days before the games and a couple of days after to facilitate entry and exit to the city. It will operate during the games themselves only when the competition schedule is in place.

The final thing that is worth saying is that the Olympic route network occupies only a tiny proportion of the London network. I can give my hon. Friend the absolute assurance that we will do everything possible to ensure that the effect is as small as possible, commensurate with keeping to the obligations to the IOC that we undertook in signing the host nation contract back in 2005.

Let me run through the four points made by the right hon. Member for Dulwich and West Norwood. I agree that communication is vital and that this is not a question of one, straightforward leaflet drop. As we know, there are all sorts of reasons why such a thing could go adrift. The process has to be constant and ongoing—probably rather like a point in politics: only when one is heartily sick of hearing it is there any chance of its getting through. I agree that it is vital that we not only go through the consultation process, which we are doing at the moment, but back it up, back it up and back it up.

If it would reassure the right hon. Lady, and in keeping with the agreements we have over the scope of the project, I am happy to arrange for her to have a briefing from Transport for London, which I presume she sees as part of her shadow ministerial responsibilities, and from the Department.

Mr Foster: To offer further reassurance, will the Minister tell the House whether I am correct in my belief that many aspects of the Olympic route network will require traffic regulation orders to be passed, and that passing a traffic regulation order requires consultation with the local public—an additional level of consultation?

Hugh Robertson: The right hon. Gentleman is absolutely right. Indeed, had I read the speech that was prepared for me, I would have covered that point—I decided instead to try to be clever and go al fresco across the right hon. Lady's contribution.

The right hon. Lady's second point was about encouraging everyone to travel by public transport. It was made clear in a powerful part of the bid we put in to the IOC that these were to be a public transport games. As she will know, as a Minister I always travel by public transport and certainly will in the run-up to the games. Indeed, even now public transport is by far the quickest way to get to Stratford. I managed to travel from the west end to Stratford international station in 18 minutes the other night. Slowly but surely that point is getting through in Lausanne. I had some discussions on that when I attended the world rowing championships. The IOC members probably form a spectrum in that regard; many will use public transport, but some will probably take some more persuading. We will do everything we can to encourage them to use public transport.

A consultation on pedestrian crossings is going on at the moment. The detailed plans on changes to pedestrian crossings are being adjusted wherever possible in the light of representations that have been received. It is our intention to ensure that there is minimum disruption, not that a "safety first" approach is carried out. I can absolutely assure the right hon. Lady that that will be done.

The right hon. Lady's final point was on taxis, and the Mayor said yesterday that he was looking at that very carefully. We are seeing what can be done at one end of the spectrum, by creating pick-up and drop-off points along the Olympic route network that will allow taxis to operate more efficiently. Information packs are already being prepared that will cover the ORN venues and other details about the games. They will be distributed to drivers to help them to operate as efficiently as possible and make the most of the commercial opportunities that will be available to them through the games.

Lyn Brown: I am once again grateful to the Minister for his point about black cabs, but I emphasise the point about private hire cars from local businesses around the Olympic site—certainly those that operate with a licence and are of good repute.

Hugh Robertson: The hon. Lady makes the point well. The best thing I can do is offer her a guarantee that I will bring her remarks to the attention of the Mayor. It might be sensible for her to write to him as well, but I can certainly give her that assurance.

Clive Efford (Eltham) (Lab): I have often resisted intervening on issues relating to the London taxi industry, but on this occasion I cannot. It is the only fleet of transport vehicles in London that is fully accessible to disabled people. It is an essential part of making it easy for people with disabilities to get to the Olympic site. When the Minister is discussing that with the Mayor, would he please emphasise that point and perhaps allow those vehicles carrying people with a blue badge or some form of identification that shows they are registered disabled to enter the Olympic priority network?

Hugh Robertson: I thank the hon. Gentleman for that intervention. It is a point well made. As he knows, it is international Paralympic day today—there is not always a direct correlation with the term and I know that people do not always like it. One of the commitments made at the time of the bid was to make this the most disabled-enabled games ever. This country, of course, is the home of the Paralympic movement. It is absolutely our intention to do everything possible to make the experience for disabled people attending both the Olympic and Paralympic games as easy and pleasurable as possible. The hon. Gentleman's point about the London taxi fleet was well made. I agree with him entirely and will certainly raise it with the Mayor.

I will finish by thanking the right hon. Lady not only for her new clause, but for the spirit with which she tabled it. I absolutely agree with the thinking behind it.

Indeed, had we been having this debate 19 months ago I would probably have done exactly what she has done today.

I hope that in my remarks I have been able to reassure the right hon. Lady that we will do everything possible. As I have said, certainly in the House, not least because all Members receive constituency postbags, we are all aware of the potential for the situation to cause very considerable unease, anger and disappointment at games time. We gave a commitment at the time of the bid, and we must carry it out, but it is absolutely vital that it is carried out in a common-sense and, dare I say it, minimalistic way, so that the impact on an already very busy and congested city is kept as small as possible. I hope that with that reassurance she will feel sufficiently reassured to withdraw her new clause.

Tessa Jowell: I thank the Minister for his constructive response, and I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

New Clause 3

POLICE RESOURCES

'(1) Section 6 of the London Olympic Games and Paralympic Games Act 2006 is amended as follows.

(2) After subsection (2) insert—

"(3) Any consultation under subsection (2) shall include a request from the Authority that the Commissioner or relevant chief constable provide an estimate of the number of police officers required to be deployed in order that the Olympic Delivery Authority may effectively exercise its duties under subsection (1).".—*(Tessa Jowell.)*

Brought up, and read the First time.

3.45 pm

Tessa Jowell: I beg to move, That the clause be read a Second time.

The security operation for the games will be the largest peacetime security operation ever mounted in the UK, and it will place tremendous demands not only on the Metropolitan police, but on all police forces, as officers will be drawn from forces throughout the country. Of the 330,000 police shifts that are likely to take place during the games, about 70,000 are likely to be covered by officers from outside London.

In the wake of the disturbances that swept across London—when, similarly, we had officers from outside London supporting the Met—and other parts of the country, we have learned not just how important the number of police can be, but how vulnerable parts of the country and, indeed, of our city can be when there are simply not enough police on the street.

By the time the games come to London, London and national police forces will be significantly diminished. The Government's gamble with police cuts means that there will be fewer police on the streets, putting the security operation and other police functions at risk.

By March 2012, the Metropolitan police will have 940 fewer officers than it had two years before, and throughout the country two thirds of the budget reductions will have taken place by the run-up to the games, meaning that there will be as many as 10,000 fewer officers available.

The Police Federation has raised concerns that forces outside London are struggling to find the finance and the man and woman-power to send officers to the capital, and that could heap further pressure on an already stretched Met.

In the light of last month's events, what reassurances can the Minister give the House that the Met police force will be able to cope not just with the Olympic security operation, but with any public order disturbances that may come its way? Can he assure the House that police forces outside London will also have sufficient numbers to offer support to the Met police operation and to respond to disturbances that might occur at the same time in their own area?

If the Minister cannot with confidence give those assurances, will he undertake to meet ministerial colleagues to review policing capacity and capability in order to ensure that there is a sufficient number of police officers to fulfil the extensive commitments of summer 2012, remembering that the Olympics are preceded by the celebration of the Queen's diamond jubilee?

The most important task of any Government is to ensure the safety of the people whom they serve, and next year presents an unprecedented security challenge, one that will have been made significantly harder by having fewer police on the streets of London. I ask the Minister to reassure not just the House but London that the security strategy, which enjoys cross-party support, can be delivered even with that reduced capability.

Stephen Pound: I do not want to tempt the Minister too far away from the core subject, the wording, the irrefragable basis of this marvellous, exquisitely crafted new clause. However, he is well known for being a man of great charm, decency and keenness to accommodate all views in the House—a characteristic that will almost certainly guarantee that he does not become Prime Minister for a few years, but that he will have a great many friends.

The point that concerns me very much on the issue of policing was raised in reference to the Olympics on the Floor of the House on Monday in connection with the Terrorism Prevention and Investigation Measures Bill. I understand that we are not talking about TPIMs, but the Olympics. However, my right hon. Friend the Member for Dulwich and West Norwood (Tessa Jowell) has raised the issue of police numbers and the potential shortfall.

As every right hon. and hon. Member in the House will know, the abandonment of the relocation principle was voted through the House on Monday night, although I have to say that all Opposition Members voted to maintain public safety and relocation. One consequence is that some of the most dangerous and potentially lethal terrorists in this country will be allowed to return to their home areas, which will often be in the heartlands of the Olympics. As we heard on Monday night, that will require enhanced police activity and oversight. Whereas under the relocation principle such people could be relocated away from their homes, they will now return to areas where they know people, in many cases where they were brought up, and where they have friends and family.

Understandably, the Under-Secretary of State for the Home Department, the hon. Member for Old Bexley and Sidcup (James Brokenshire) did not go into a great

[Stephen Pound]

deal of detail on Monday, but he did point out that there would have to be deeply enhanced police oversight. Whether that will be provided in any force other than the Met, we do not know. Logic suggests that it will have to be done by the Met. The Met is the only force that can draw down this sort of specialist oversight operation. If that happens, the demand from that draw-down on police officers from January and February next year, right the way through the diamond jubilee and the Olympics, will become intensely significant.

It is not the purpose of this debate to rehash all the TPIMs arguments. However, it is a shame that the hon. and gallant Member for Beckenham (Bob Stewart) is not in his place—he was here earlier—because on Monday, he pointed out that, having come to the issue completely open-mindedly, he could not understand why any Government would not wish to have this vital tool in their armoury. However, on the occasion the vote was lost. I ask the Minister whether he will speak to his colleagues in the Home Office and the Ministry of Justice specifically about the additional police numbers that will be required to oversee the operation of TPIMs in east London in particular and in the whole of the M25 area.

The Minister has military experience. He is the sort of young officer whom many of us would follow into the jaws of death itself. I imagine him on the bridge of some storm-tossed corvette, heading straight into the roaring sound of gunfire, while we plucky matelots gather astern to support him. On this occasion, I would like to see him lead the good ship of state into the safe haven of public security and away from the threat and danger that may be attendant upon east London, the Olympic area, the Olympic dream and the Olympic ideal.

Hugh Robertson: Follow that! I should probably confess that the only time I ever went into the heat of battle on the back of a vehicle was in a tank with the lid firmly screwed down, so there is rather less chance of that than the hon. Gentleman suggested.

I will come to the hon. Gentleman's points in a minute, but may I start by saying that I am grateful to the right hon. Member for Dulwich and West Norwood (Tessa Jowell) for tabling the new clause? As she is absolutely aware, having had this responsibility herself, the safety and security of games venues, the supporting infrastructure and the wider public environment next summer is a paramount priority for the Government and for everybody involved in the Olympic games movement. I should certainly, at the outset, place on the record my gratitude for the work that she did during her time in office to ensure that the security plan is in the position that it is today. I am happy to say to this House, as I have said outside, that I am as confident as one can be at this stage that we can deliver a safe and secure games.

In response to the hon. Member for Ealing North (Stephen Pound), I point out that we had the opportunity in Committee to question the assistant commissioner who is responsible for policing and security around London 2012. As I think we all agreed, he was probably the standout witness we saw. He was extremely persuasive and, as one would expect, well informed. There is no doubt that the fact that the security plan, operationally, is in such a good place is largely due to the work that he and others have done. I can absolutely assure the hon. Gentleman that there has been no question, either formally or informally, of the Metropolitan police raising the sort of concerns that he has just raised with me. In as much as it counts, I hope that he will accept that reassurance.

Mr Foster: I apologise for interrupting the Minister, but I should like to place on the record—perhaps this will reassure the hon. Member for Ealing North (Stephen Pound)—the fact that I too have the utmost confidence in Assistant Commissioner Chris Allison, who was not only an expert witness but gave every one of us who questioned him real confidence that he takes these concerns deeply seriously and also has the ability, the competence and the skills to ensure that the solutions are delivered.

Hugh Robertson: I thank my right hon. Friend for that.

Stephen Pound: I apologise for intervening again; this is not ping-pong. That is not even an Olympic sport; if it were, it would be called whiff-whaff, I am sure. I take second place to no man in my admiration for AC Allison, but the point is that he was talking about the situation then. Since Monday night, the rules have changed and everything is different. We now have the potential for the body to be infected by a virulent bacillus. Even Lord Carlile, who is not of my party, has said that these are potentially lethally dangerous people. The weather has changed, and we have to take that into consideration, despite the admiration that everyone in this House has for AC Allison.

Hugh Robertson: I take the hon. Gentleman's point. However, the events of Monday night did not suddenly come out of a puff of smoke. The police have had the opportunity to prepare for this, and they also have the ability, through their intelligence services, to look forward. On that basis, I can reassure him that neither formally nor informally, at any stage, has anybody in the Metropolitan police service raised this with me as a potential problem.

Lyn Brown: I thank the Minister for his good words, which go some way towards helping us to feel more secure. However, will he take back and ask directly the question about whether the relocation issues are now of concern to the Metropolitan police with the forthcoming Olympic games ahead of us?

Hugh Robertson: I will certainly go back and ask the question. I am not sure that this will necessarily reassure the hon. Lady, but I would be absolutely amazed if I were the first person who had asked it. It is absolutely inconceivable that it was not asked by the Home Office during the preparation of the Bill. This has been a long time in the cooking, and there would have been ample opportunity for the Metropolitan police to say, at any stage during the process, that this was a problem.

Stephen Pound: This will be the last time that I seek to intervene on the Minister. I entirely take his point. However, Deputy Assistant Commissioner Osborne, a

person of similar standing who is the co-ordinator for counter-terrorism, said in evidence to this House that relocation is by far the most effective mechanism. The Met is therefore considering it, and for the one person the Minister prays in aid, we can pray in aid a DAC who says quite the opposite.

Hugh Robertson: At the risk of splitting hairs, I am not sure that there is a contradiction here. Whatever the DAC may or may not have said about what place he sees for relocation in the tools available to him, the fact is that it has gone now, post Monday night. The police have known that it was going for some time before this—and crucially, knowing that it was going, nobody has said that that will present us with an insuperable problem, or in my case, any form of problem, around London 2012.

Bob Blackman: One of the concerns expressed to me by individuals in the Metropolitan police is that since the London riots, in many London boroughs the police have been continuously working 12-hour shifts, with no rest days and no allowance for annual leave. That is at the current operational policing level. Given that the Olympics are coming up, will the Minister verify the position with the Met? My understanding is that it is cancelling all annual leave for the duration of the Olympics and gearing up for a similar operation during that time, and that will put great strain on the resources available to it not only in the Olympic areas but across London. That must give rise to a potential security problem.

4 pm

Hugh Robertson: I say to my hon. Friend that we should be careful, because I would be very nervous about saying anything that suggested that there was in any way, shape or form a security problem around London 2012. The messages that we give out here are followed in places beyond here, so one could get into quite dangerous territory. I am not without experience in this area—I spent just over 10 years in the armed services and know how to read a security briefing—and I say again that given the nature of the subject that we are dealing with, I am as confident as I possibly can be at this stage, 10 months out from the Olympics, that we can deliver a safe and secure games. Inherent in that is the necessity of striking a balance between keeping this city and those games secure and recognising that they will be a fantastic public spectacle that we want people to be able to move in and out of and enjoy to the maximum extent.

I will come to the precise police numbers required to police London 2012 in a moment, but the Metropolitan police have been involved at every stage of the planning and are confident, as I am, that the plan is deliverable and that the result will be a safe and secure games.

Bob Blackman: I think we can be confident about the security level of the games. Having inspected the park and the security arrangements, I think we will deliver a superb games. One of the concerns of Londoners, however, is the potential for criminals and others to promote their activities in the time leading up to and during the games, which could affect the police's operational capability in London in that period. Has that been taken into account?

Hugh Robertson: The short answer to my hon. Friend is that it has absolutely been taken into account. As I said, I will come on to the police numbers in a moment, which I hope will give him some reassurance, but I can give him further reassurance. He took part in the debate on Second Reading and has been closely involved throughout the Bill's passage, so he will be aware that one clause in the Bill is the specific result of police intelligence and a request from the police. The maximum fine for ticket touting has been increased on the basis of intelligence received from Operation Podium. There is a constant process of updating legislation as required.

New clause 3 would require relevant police authorities, in such consultations with them as the Olympic Delivery Authority considered appropriate, to provide an estimate of the police deployments required to enable the ODA to fulfil its responsibilities under section 6(1) of the 2006 Act. I would say two things about the new clause. First, there have been and continue to be extensive discussions between all concerned parties—the police, the Home Office, the ODA, the Department, the London Organising Committee of the Olympic Games and Paralympic Games and a great many others—on planned police deployments at London 2012 venues.

The right hon. Member for Dulwich and West Norwood will also be aware, most practically because she has done this job, that as under the previous Administration the Government have pursued a policy of maximum transparency in communicating the look and feel of the safety and security of the London 2012 games. That includes public statements from the police on the expected requirement for policing the games, which at current estimates is up to 9,000 officers in London and 12,000 nationally on the peak days during the Olympic games. Naturally, those numbers will be flexed up or down as necessary in response to changes in intelligence and the threat environment.

The second point is much more technical—I am slightly more nervous about making it, and I hope the right hon. Member for Dulwich and West Norwood will take it in the way that it is meant. The proposed purpose of new clause 3 is out of step with the transfer of a wide range of games-time responsibilities, including security, from the ODA to LOCOG. At the Olympic park, that handover will be complete in January, so there is a technical problem with new clause 3, because by the time the measure has ground through the other place, it is likely that in any event, the security responsibility will largely have been handed over. In practical terms, if the new clause becomes part of the Bill, it would have either a very short shelf life or possibly no shelf life.

Accordingly and in conclusion, I once again thank the right hon. Lady for all the work that she did in government in drawing up the original security plan. I absolutely reassure her and other hon. Members that keeping the games safe and secure remains the Government's overriding priority. A lot of things are important in and around the games, but security is the No. 1 priority.

I offer the right hon. Lady the opportunity to raise those and other concerns with Home Office officials as part of her routine briefings on the subject, as I did in respect of her previous proposal. As we discussed at Question Time this morning, I am aware that she has a meeting next week. If anything comes out of that that she feels has not been addressed satisfactorily, I hope

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she knows that she can come back to me, and I will do everything possible to ensure that she gets the right answer. On that basis, I hope that I can persuade her to withdraw the clause.

Tessa Jowell: With those very helpful assurances, and on the basis that the House will want to keep these matters under review between now and the end of the games, which will be a year tomorrow, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Clause 1

REMOVAL OF INFRINGING ARTICLES

Hugh Robertson: I beg to move amendment 1, page 1, line 2, in clause 1, at end insert—

'( ) In section 21 of the London Olympic Games and Paralympic Games Act 2006 (offence of contravening advertising regulations), omit subsection (4).'.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss Government amendment 2.

Hugh Robertson: I think everybody will be relieved to know that these are two minor and very technical amendments—I see nods all around the Chamber at that.

Amendment 1 repeals a redundant provision in the 2006 Act. Section 21(4) provides that a person convicted of contravening the advertising regulations may be ordered to pay the ODA's or the police's reasonable enforcement expenses. The provision is redundant, because other sections of the Act—sections 22(9) and 28(7)—already allow the ODA and the police to recover their enforcement costs from people who contravene the advertising and trading regulations.

Amendment 2 amends the advertising and trading provisions as they apply in Scotland, so that they remain largely as operated by the 2006 Act but more closely follow the model of the Glasgow Commonwealth Games Act 2008. The amendment has been requested by the Scottish Government, who consulted the police and prosecuting authorities in Scotland.

Although the amendments will result in a small and technical variation in the operation of the advertising and trading provisions in Scotland as opposed to England and Wales, they are not likely to cause significant differences in practice. Indeed, I hope that all hon. Members recognise that Scotland's legal system is different from the one in England and Wales.

Amendment 1 agreed to.

Amendment made: 2, page 6, line 15, leave out subsections (9) and (10) and insert—

'(9) In section 37 of that Act (Scotland), omit—

(a) subsection (6), and

(b) subsection (11).

(10) At the end of that section insert—

"(12) In section 22, subsection (6) has effect as if there were substituted for it—

(6) An article that is held by a constable (having been removed by or delivered to the constable) shall be returned when retention is no longer justified by a matter specified in subsection (5)(a) to (c), unless—

(a) in the case of a perishable article, the article has ceased to be usable for trade, or

(b) the court orders the article to be forfeited under Part 2 of the Proceeds of Crime (Scotland) Act 1995.

(6A) Subject to subsection (6), the article shall be treated as if acquired by the constable in the course of the investigation of an offence.

(6B) An article that is held by an enforcement officer (having been removed by or delivered to the officer) shall be dealt with in accordance with sections 31A to 31E."

(13) In section 28, subsection (4) has effect as if there were substituted for it—

"(4) An article that is held by a constable (having been removed by or delivered to the constable) shall be returned when retention is no longer justified by a matter specified in subsection (2)(a) to (c), unless—

(a) in the case of a perishable article, the article has ceased to be usable for trade, or

(b) the court orders the article to be forfeited under Part 2 of the Proceeds of Crime (Scotland) Act 1995.

(4A) Subject to subsection (4), the article shall be treated as if acquired by the constable in the course of the investigation of an offence.

(4B) An article that is held by an enforcement officer (having been removed by or delivered to the officer) shall be dealt with in accordance with sections 31A to 31E."

(14) In sections 31A, 31B and 31D, the references to a magistrates' court are to be read as if they were references to the sheriff.

(15) Section 31A has effect as if—

(a) in subsection (4), "before the end of the relevant period" and "at the end of that period" were omitted,

(b) in subsections (5) and (6), "before the end of the relevant period" were omitted,

(c) in subsection (6), in paragraph (b), for "section 143 of the Powers of Criminal Courts (Sentencing) Act 2000" there were substituted "Part 2 of the Proceeds of Crime (Scotland) Act 1995",

(d) in that subsection, paragraph (c) were omitted,

(e) in subsection (8), "or (6)(c)" were omitted, and

(f) subsection (10) were omitted.

(16) Section 31E has effect as if subsections (5) to (10) were omitted."'.—*(Hugh Robertson.)*

Clause 9

COMMENCEMENT AND DURATION, EXTENT AND APPLICATION, AND SHORT TITLE

Amendments made: 3, page 14, line 34, in clause 9, leave out '8' and insert '[*Goods vehicle operator licences*]'.

Amendment 4, page 15, line 1, leave out 'and 2' and insert—

', 2 and [Goods vehicle operator licences]'.—*(Hugh Robertson.)*

Third Reading

4.9 pm

Hugh Robertson: I beg to move, That the Bill be now read the Third time.

I wish to start—I mean this genuinely—by thanking all those involved in the passage of the Bill. I thank Members on both sides of the House who served in the Bill Committee. It has been a reasonably pain-free Bill, and the discussions that we had in Committee were constructive and genuinely improved the Bill. I would therefore like to put on the record my thanks to all Members who played a part in that.

I say a particular thank you to the right hon. Member for Dulwich and West Norwood (Tessa Jowell), who has played a unique role, as I have said on a number of occasions, in the winning of the London games and their subsequent delivery. She continues to be a great servant of the process—if she does not mind my using that term—through her work on the Olympic Board and across London promoting the games. It would have been easy for lesser people following the general election to have felt that they were not involved in the way in which they wished and to have left the process. It is greatly to her credit, as a person and a politician, that not only has she not done that, but she has put her shoulder to the wheel so enthusiastically. She has made a great many friends by doing that—she had a great many already—and earned the gratitude of many people on both sides of the House and across the Olympic movement.

I also thank, as always, the right hon. Member for Bath (Mr Foster)—the third of the holy trinity involved in the process from the beginning—for his help and support. Finally, I thank the officials of the House, the parliamentary counsel and the officials in all three Departments concerned. Although there is cross-party support for the principle of the Olympics, a lot of difficult, technical issues are involved in laying on the world's greatest sporting event, and it is not always easy for officials to bring it all together. Throughout this process—I am sure that the right hon. Lady would say the same about the 2006 Act—we have been extraordinarily well served by our officials. I am grateful to them for their work.

Joseph Johnson (Orpington) (Con): I thank the Minister for his kind words of thanks to the Bill Committee members. It was the first Bill Committee of which I have been a member, and I enjoyed it very much. He has alluded to the technical difficulties that officials must confront, and I want to bring to his attention a set of technical difficulties relating to the sharing out of media accreditations to the British media. It is a cause of great concern to me that local media, particularly in London—the city on whose good will the success of these games depends—are being shut out. Will he join me in calling on the Secretary of State for Culture, Olympics, Media and Sport to look closely at the decision by the British Olympic Association to deny media accreditation to such fine local London papers as the *News Shopper*?

Hugh Robertson: I thank my hon. Friend for his intervention. He speaks from a powerful position, not only as a London Member of Parliament, but as a former journalist. As he is aware, responsibility for the accreditation of local media outlets lies with the BOA. In the short time between now and his raising this with me in the Lobby during the previous vote, I have checked the current position. I suspected that accreditation is massively over-subscribed, which is what he indicated to me. That said, I understand the logic of giving as many passes as possible to the international media and national news outlets, but he is right that it has to be balanced with local media outlets, many of which have been extraordinarily supportive of the games and on whose doorstep they are taking place. There is a possible second channel for non-accredited media, and considerable provision is being made for those who cannot get formally accredited. The Mayor of London has done an enormous amount to help that take place. The best thing that I can do now is to give my hon. Friend a promise to write to the BOA about the matter. I will particularly investigate the position regarding London media, because this is a once-in-a-generation opportunity. I will come back to him with an answer.

Gavin Barwell (Croydon Central) (Con): I want to second the point made by my hon. Friend the Member for Orpington (Joseph Johnson). The BOA seems to assume that local journalists granted accreditation will attend every event. Obviously, there is a limit on overall capacity, but clearly our local papers just want to cover the events in which athletes from our boroughs are competing. It ought to be possible to arrive at a flexible arrangement that enables our local London papers to do that. I would be grateful if the Minister were to take that point on board.

Hugh Robertson: Suffice to say that the point has been well made. I can only say to my hon. Friend that I will give him the same undertaking that I have given to my hon. Friend the Member for Orpington (Joseph Johnson)—that I will write to the BOA to take that precise point up and see what I can do. The only minor caveat is that because this is a London games, the demand for media accreditation spots is vast. There will be a level of public interest that I do not think we have remotely started to get our minds around. Spots will be tight, but I will absolutely do all that I can.

Lyn Brown: Let me assure the Minister that there is cross-party support for the points made by the hon. Members for Orpington (Joseph Johnson) and for Croydon Central (Gavin Barwell). I know that the *Newham Recorder* will be watching Christine Ohuruogu with interest as she races towards the tape in the final for her gold. It would be a great pity if the local press were not allowed to be there to cover such an event. As local newspapers, they frankly do not have the capacity to attend every event and would have to be clear and specific about the events that they could give time to.

Hugh Robertson: As always with this process and, indeed, protest in this case, the cross-party support is evident, and I shall reflect that in the letter that I write to the BOA.

As I set out on Second Reading back in April, the London Olympic Games and Paralympic Games Act 2006 gives us the overarching legislative framework needed to deliver the games successfully. This Bill simply provides a number of technical refinements to the 2006 Act, ensuring that we can address the few minor and technical issues that have arisen as games-time planning and preparation have become increasingly sophisticated. The general principle behind the Bill remains the same as in the original 2006 Act, which is to deliver a great games.

The Bill amends the 2006 Act by giving the ODA the power to store articles that have been seized for contravention of the advertising and trading regulations, subject to a number of carefully framed rules set out in the Bill, and we are freeing up police resources so that they can be focused where best needed. As we have heard today, we have also sought to ensure that the process works equally well across the different policing regimes in England and Wales, and in Scotland. The

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provisions that we are passing today will also allow us in exceptional circumstances—and only in exceptional circumstances—to alter advertising and trading regulations more quickly.

We have also increased the maximum penalty for the touting of games tickets from £5,000, as set out in the 2006 Act, to £20,000 on the specific advice of the police. We believe that that strikes the right balance. The traffic management provisions in the Bill will ensure that the transport plans covering the Olympic route network and the areas around games venues can be delivered and effectively enforced. I also confirm that I have clarified the role of the Mayor of London when it comes to agreeing penalty charge levels for Olympic-purpose road traffic contraventions. Last week, I formally directed the ODA to consult relevant traffic authorities—in as far as it has not already done so—on the penalty charge levels for Olympic contraventions, and in doing so have sought to address the points made by the right hon. Member for Dulwich and West Norwood in Committee.

The final group of provisions that we are enacting addresses the concerns expressed by Transport for London about the relaxation of licence conditions for operating centres. That said, the key point that has come through in every stage of the Bill's progress is the way in which these measures will be applied. I confirm to the House today that it is absolutely the Government's intention to take a proportional and reasonable response to the enforcement of all the powers contained in the Bill.

In conclusion, it is fitting that today's debate coincides with international Paralympics day, which takes place in Trafalgar square—we may just be able to catch it. This is the first time that the event has ever been hosted outside Germany, although we have a great tradition of pioneering Paralympic sport in this country, dating back to the original Stoke Mandeville games in 1948. Today's event in Trafalgar square will give the public a great introduction to the 20 Paralympic sports, with demonstrations from elite athletes. As I said earlier, I hope that as many hon. Members as possible will show their support for this fantastic event.

Every time the United Kingdom has hosted the Olympics, we have left the Olympic movement stronger than we found it. That is not just something that it is easy for Ministers to say; if one looks back at the history, one will see that it is genuinely the case. The original bid that we put before the International Olympic Committee promised to deliver a deep legacy for the games. This will be the first Olympics where we plan the event and the legacy as one.

Right across the country, in many different schools and communities, much is happening. The east end of London is being transformed and social change is being delivered through volunteer programmes and Olympic-themed community projects—a promise that we made to the country and the world back in 2005. Being in the middle of delivering a show like this, it is sometimes easy to concentrate on things that do not go as well as they could, but there is a huge amount for this House and this country to be proud of as we begin the final run-up to these games.

I firmly believe that this Bill gives us the powers to proceed on a strong legislative footing—one that I do not think has been equalled in any previous games—and I would particularly like to thank this House for the role it has played in what I believe will be a truly great and, I hope, outstanding Olympic games.

4.20 pm

Tessa Jowell: I begin by expressing our strong support for the Bill and, very particularly, our gratitude to the Minister for his handling of it with characteristic open-mindedness, receptiveness and a sense of the shared passion that comes from involvement in this incredible project. This is a technical Bill that builds on the London Olympic Games and Paralympic Games Act 2006, but it has done much more than that. I believe that it is has been enriched and shaped by our consideration in Committee and on the Floor of the House. It has been enriched by something important—the fact that we are all representatives of the communities that we serve. We might come from different political standpoints, but we share a belief in the power of communities to act for good, and we have a shared ambition for the people whom we represent. I believe that the proposals on advertising and trading standards in the 2006 Act will be implemented, because we know and understand, as representatives, the importance of proportionality.

We have seen an increase in the maximum penalty for ticket touting, which is very much an expression of the fairness that is a prerequisite for people across London and across the country to feel that they are part of this great Olympic event. I think that all Labour Members—we seem to be rather diminished, but we count the quality for the purposes of a debate like this one—are grateful to the Minister for his response to the points we raised today about the Olympic route network. He reflected his understanding, as did other hon. Members, because we are all representatives of the people whom we serve.

This is a staging post on a journey that will see many major hurdles needing to be negotiated before we get to the closing ceremony of the Paralympic games in a year's time. What the Olympics reflects, in a rather unique way, is a choice that the Government made. It is a choice between remaining in the comfort zone by staying away from controversy, difficulty, bad headlines and all the risks that the Olympic games can bring or rising to a once-in-a-lifetime challenge—even though that is a rather over-worked phrase.

I feel extraordinarily proud to have been involved in different ways throughout the whole process, and the Minister, too, has been involved for most of that process. I am grateful for the way in which the Government have taken over the responsibility for this greatly cherished project and have continued the tradition of openness and collaboration.

We have all been privileged to work with some of the best people in the world, who have delivered under the leadership of John Armitt, David Higgins, Dennis Hone and Godric Smith. All those outstanding people have seen the Olympic park transformed from a contaminated wasteland with corrugated iron huts into the largest urban park to be created in Europe for 150 years. The fact that this has been delivered a bit below budget and a bit ahead of time is a really wonderful advertisement for UK plc. Everyone who has taken part in that can be proud of their achievement to date, including the people who cleared the ground, the people who carried out the demolition and the people who ensured that 99% of the resulting materials were recycled rather than going to

landfill. Every one of the 40,000 people involved, including the constituents of my hon. Friend the Member for West Ham (Lyn Brown) and other Members here today, can be proud of those achievements.

It has always been our ambition that the Olympic games should be about more than 60 days of Olympic and, in particular, Paralympic sport. The focus has been on the legacy, and we can now see it out there in Stratford. Many of us will go to the opening of the Westfield shopping centre, which will bring desperately needed jobs and inward investment to that area. It will begin to change the economy and the prospects of the constituents of my hon. Friends who represent the six Olympic boroughs.

We can also see the legacy in the wonderful venues that will provide state-of-the-art competition venues and facilities for the local community for decades to come. Less visible is what we hope will be the other part of the legacy: communities that are more optimistic and ambitious about their future and that have a greater belief in the possibility of their own achievement. In the long run, the Olympic Park Legacy Company will have an important job in safeguarding the structural legacy and ensuring the commercial investment, both of which will deliver opportunities for local people in those boroughs, whose experience must be measured as part of all this.

In our own ways, we are all inspired by the 2,000 young athletes who are now training hard for 2012. There are 2,000 of them, because not all the teams have yet been selected, and a large pool is being drawn from. Their dedication, their ambition and their willingness to get up at all hours, make the journey and focus their lives on the possibility that they might just make it into the 2012 team should be an inspiration to us all.

This project has been beyond party politics. All of us who have been involved in it have been privileged to hold that responsibility as guardians for the nation. I am enormously grateful for the generosity of the Minister, the Secretary of State and the Mayor in including me and my party in the planning for the games. We can be confident that that cross-party tradition has been very well continued. It is now only a matter of months before the games kick off and, although that might not provide such unalloyed pleasure as the conclusion of today's debate, we are all up for it.

As the Minister has said, today is international Paralympic day, and until 8 pm there will be a series of demonstrations in Trafalgar square involving Paralympians and young would-be Paralympic athletes. One of the Paralympians said to me this morning, "Just remember, when people talk about the Olympics, we mean that it is the test event for the Paralympics." Let us make sure that we go and give the Paralympics all the support that they deserve.

4.30 pm

Mr Foster: I am conscious that many Members are anxious to get to Trafalgar square, so I shall be very brief.

This is in danger of becoming a cross-party love-in. I entirely agreed with the right hon. Member for Dulwich and West Norwood (Tessa Jowell) when she praised the Minister and the Secretary of State, and I also agreed with the Minister when he praised the right hon. Lady. We have done the same on a number of occasions, and it has been justified.

Above all, the right hon. Lady can be proud of having genuinely ensured that the debate was beyond party politics from the outset. As a result, there has been detailed consultation across the parties in both Houses, and many of the tensions that could have arisen have not done so. That has enabled the bodies which we have given the task of building the stage and putting on the show—the ODA and LOCOG—to get on with the job, and, as the right hon. Lady said, to do it phenomenally well, delivering below budget and ahead of time.

I am absolutely convinced that, in less than a year's time, this country will put on the most fantastic sporting and cultural extravaganza that there has ever been, and what is so good about the Bill is that it has provided yet another opportunity for parliamentarians in both Houses to engage with that exciting prospect. I hope that, in a few final remarks, the Minister will remind all parliamentarians that there is still a great deal that they can do to help to ensure that we deliver something else that is critically important: not just a fantastic extravaganza, but a legacy for businesses, tourism, education and culture as well as a legacy for sport.

When the Minister discusses press accreditation with his colleagues, he may wish to talk to the Secretary of State for Scotland, who I know has concerns about accreditation for Scottish newspapers. He could also remind people that newspapers seeking accreditation can do themselves a lot of favours by promoting activities relating to the Olympics and Paralympics in their local areas. I know that the British Olympic Association is looking at the amount of coverage of local activities in particular newspapers, and I think that more could be done in that regard.

I believe that we will deliver not only a great extravaganza and the legacy of which we have spoken in this country, but something that is never, or at least hardly ever, mentioned in our debates: a legacy for other countries. One of the important elements of our bid was the overseas work that we proposed to do. It is amazing to read the statistics showing how many people have been able to train as coaches in other countries, and how many young people throughout the world have been able to engage in sport, because of the Olympics that will take place here.

I am delighted that we have had an opportunity to debate the Olympics and Paralympics yet again. I am also delighted that this country's Paralympic team is training in my constituency, where two weeks ago I saw some fantastic young people doing amazing things. My only regret is that goalball—which has become my favourite Paralympic sport—will not be demonstrated in Trafalgar square tonight, but I encourage any Member who has never seen it or heard of it to have a look at it. It will be the top best-seller when the tickets go on sale, as indeed they have just done.

4.34 pm

Mr Mark Field (Cities of London and Westminster) (Con): As the right hon. Member for Bath (Mr Foster) pointed out, there is a danger of this debate—and, indeed, other similar debates—becoming a bit of a love-in. In the 10 years that I have been in this House, I have always been a great believer that Members must work together with other Members. My constituency neighbours have tended not to be from my political

[Mr Mark Field]

party, but I have worked closely with the hon. Member for Westminster North (Ms Buck) and the right hon. Member for Holborn and St Pancras (Frank Dobson) on a range of issues. However, I always have some concerns when there is a little too much consensus in this House on particular issues, not least because the very essence of politics should be choice. In the current debate, it is important that certain aspects of the scepticism felt by many millions of Britons outside this House are also put on the record.

As the right hon. Member for Dulwich and West Norwood (Tessa Jowell) will remember, I shadowed her when she was Minister for London in 2004, before we got the Olympics on 6 July 2005, and I was somewhat sceptical about the benefits that the Olympics were expected to bring to our city. Since then, there has been a tumultuous change in the global economic outlook, which has only served to reinforce some of my concerns, especially in respect of the escalating costs of this project. In advance of our getting the Olympics, we were told it would cost about £2.5 billion. That sum has now risen to some £9 billion. In light of those particular statistics, some of the boasts that have been made about working within budget are, in my view, somewhat hollow.

Tessa Jowell: The hon. Gentleman might like to refer to the *Hansard* of May 2005, where I made it absolutely clear that, were we to win the games, the budget to build the venues in the park that had been submitted as part of the bid book would have to be revisited. We did increase the budget, because our ambition for regeneration was much greater after we won the games. Some 75p in every £1 spent on building the park was spent on regeneration. The site would have been contaminated waste land in perpetuity had we not won the games. We have accelerated regeneration. In six years, we have done what would otherwise have taken 60 years. That has brought benefit to London. It has brought jobs to London and has been good for the economy of London, way beyond just having 60 days of Olympic and Paralympic sport.

Mr Field: As a courtesy to the right hon. Lady, I will obviously look at the *Hansard* for that time, but there is no doubt that this was sold on a very different financial basis, and it will cost not only the general taxpayer, but the London council tax payer, a significant sum of money for some decades to come.

I share the widespread view that the Olympics are a great opportunity to showcase the city that I love—I am very proud to represent the heart of the city—and that they will be a spectacular success. Both the Olympics and the Paralympics shortly afterwards will be a wonderful show. I do have concerns about the issue of the legacy, however, and I suspect that similar debates to that which we are currently having were held in the Greek Parliament in advance of the Athens games in 2004, the Australian Parliament in advance of the 2000 games, and other Parliaments and Federal buildings before other Olympiads took place.

We all know that it is very easy to have great ideas about the legacy going forward. I am well aware of that; I walked through the site where the Olympics will take place before we even won the bid, and I recognised that there were tremendous opportunities for regeneration. I am concerned, however, about whether we will be able to sell that legacy and whether it will be achieved in the way that we have in mind. We will not know that when we look back in the third week of September next year; we will not know the answer until 2020 and beyond. I therefore hope we in this House continue to address the possible prospect of our having a white elephant of a site out in east London. That would be a crying shame not just because of the amount of money being spent on it, but because of the opportunities that might be missed.

I hope that we will ensure that this debate does not end today and that we will not draw a line under things after the Olympics have finished. It will be incumbent on all London Members of Parliament to hold future Administrations very much to account to ensure that that proper legacy, which is the raison d'être for holding the Olympics in London, is put in place.

Hugh Robertson: May I give my hon. Friend some reassurance on this point, because it is very dangerous if the idea he alludes to is allowed to take root? There is absolutely no chance of our being left with white elephants on the park after the Olympic games. The single biggest frustration in my life at the moment is that two London premier league football clubs and one in a lower league are competing to take over the stadiums after the games. That represents an entirely different situation from those in Beijing, Athens and Sydney. The aquatics centre, wonderfully designed by Zaha Hadid, will provide an Olympic-sized swimming pool in a part of London that has simply never had one before. We have just concluded an amazing deal, at more than half a billion pounds, to sell off the private sector part of the athletes village. The public sector part has already been sold to Triathlon Homes. The velodrome, probably the most iconic building on the park—we did not spot that at the beginning—will become a new home for British cycling, which is one of our most successful sports.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I understand that the Minister wants to get his points on the record, but we have to be careful here. He is making an intervention, not a speech.

Hugh Robertson: I am sorry, Mr Deputy Speaker, if I offended you, and I absolutely take the point you make. I shall simply say that the broadcast media centre is out for contract at the moment and there is fantastic interest. We have the largest new urban park in Europe and a half-a-billion-pound shopping centre. This is a pretty convincing package.

Mr Field: I accept that it is a convincing package. The Minister will be aware of what happened in my constituency with the somewhat missed opportunity of the redevelopment at Paddington basin. A huge amount of work has not resulted in a great success; it has not been the iconic place to live and work that it might have been. I therefore hope that all hon. Members will recognise that the end of the Paralympics is the beginning of the story. Making a great success of the legacy will be in everyone's interests, not least of those in the constituency of the hon. Member for West Ham (Lyn Brown), given where it is located, and of people who live in the constituencies directly affected.

Clive Efford: I was a Greenwich councillor when we first had the idea to redevelop the local peninsula, which eventually led to the building of the Greenwich dome. Without these iconic projects and without public money—people often forget that we got a lot of investment from Europe to decontaminate the site at north Greenwich—it is sometimes impossible to regenerate very expensive contaminated sites. However, once we take the brave decision, as we did in east London and in Greenwich, the regeneration takes place, and we now have one of the most iconic entertainment centres in Europe.

Mr Field: I accept that, although in many ways the hon. Gentleman makes my point for me. There was a sense in the immediate aftermath of 1 January 2000 that that area was going to be a white elephant and it was the private sector, in the form of the group belonging to Philip Anschutz, which had the vision to drive that area forward that made a difference. But it took some years for that to fall into place, which is why we need to keep an eagle eye on exactly what happens on the Olympic site from next September to ensure that 2013, 2014 and 2015 are not wasted years. They need to be years when we ensure the continued improvement of that site to make it an attractive place to live and work, and, potentially, an entertainment destination site well beyond that for West Ham United fans. One hopes that it will also be used for other athletics events and perhaps as a large-scale entertainment site, given the transport links in place.

I wish briefly to discuss the elements of the Bill that have been debated, about which I have expressed some of my reservations. We have had a useful debate about policing. This is a matter for not only the Metropolitan police, but the intelligences services, which are playing a huge role in this field and will continue to do so. One should not underestimate that in the context of the security implications of these Olympics. Equally, as my hon. Friend the Minister pointed out, we could learn from elements of previous London Olympiads, particularly the 1948 games—the austerity Olympics. We are living in a time of greater austerity and one hopes that some of those lessons for a cost-effective games can also be learned.

I have publicly expressed my concerns about some of the issues to do with the large number of people who will be transported from the hotels in Park lane in my constituency to the Olympic village and the fundamental impact that that will have on traffic during late July and August next year. One accepts that for Heads of State and leading individuals there are, of course, security implications and they will need to be ferried in such a way, but it seems that many thousands of people will be getting this sort of treatment—a whole lot of hangers-on in the IOC and the sponsors. I would like to see the Minister playing a role in trying to pare down that number to the basic minimum that takes account of security implications.

Stephen Pound: May I assure the hon. Gentleman that the 1948 games may have been the austerity games, but people were able to find their own amusement in those days? The fact that my parents clearly did so—I was born in the middle of them—shows that life may have been austere, but there was a little bit of fun to be had in Fulham.

Mr Field: If the hon. Gentleman was born in the middle of those games, it says something about the gestation period in that part of SW6 during 1948.

I did not want to be overly negative, but as Members of this House we have a platform and, according to anecdotal evidence, at least, a lot of Londoners are increasingly rather lukewarm about this Olympiad in spite of the relentless publicity and propaganda being put out by the BBC, as the preferred broadcaster, and by the ODA, and it is important that those issues are put on the record. None of us wishes not to have a highly successful games. We signed up for them and it is right that we should make them a great success, but given the austerity period in which we are living, I do not think that every last i and t of the contract we signed with the IOC needs necessarily to be adhered to exactly. We potentially need discussions slightly to renegotiate elements of it, particularly the rather lavish hospitality package for quite a few individuals coming to the city, especially if they are going to disrupt the day-to-day life of those living here.

I, like everyone else, wish the games to be a great success. It is good when we can work together on such a basis, but it should not crowd out the idea that concerns about the games are being expressed by many Londoners and many people outside London. Let us make sure that we make them a spectacular success and focus on the legacy for the decades to come.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Sentencing (Cameron Ross)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

4.48 pm

Mr Iain Wright (Hartlepool) (Lab): I am extremely grateful to Mr Speaker for going out of his way to grant me this important debate, and I would be grateful, Mr Deputy Speaker, if you could convey my thanks to him.

This case has had significant repercussions for the family of the victim, Mr Daryl Stevens, and particularly his mother, Mrs Jacqueline Stevens, who has worked tirelessly on Daryl's behalf to secure justice for her son.

On a wider point, in the aftermath of the riots last month, the issues of sentencing policy, the consistency of sentencing and confidence among the general public in sentencing decisions have attracted considerable debate. I fully appreciate the notion that politicians make the law, police enforce the law and judges interpret the law. I also understand the inherent risks in politicians passing opinion on whether a sentence is too harsh or too lenient. However, it is entirely reasonable for this House to express its views on sentencing and as a Member of the House I am determined to represent the concerns of my constituent.

Before I mention the specifics of the case, I want to outline the theory and principle behind the concept of undue leniency. I appreciate that the Solicitor-General is a man of considerable legal distinction and he is far more aware than I am of the concept of an unduly lenient sentence, which is a sentence that is not strong enough for the seriousness and circumstances of the crime that has been committed. When someone has been found guilty of a crime in a court of law, the judge decides what sentence they should serve. In some cases, if interested parties, whether that is the Crown Prosecution Service or, in the case of my constituent Mr Stevens, his mother, think that the sentence is not severe enough, they can contact the Attorney-General to ask him to consider referring the case to the Court of Appeal within 28 days of the day after sentencing. If he decides to refer the case, it is then for the Court of Appeal to decide whether the sentence is unduly lenient.

Let me refer to the specifics of the case. My constituent, Mr Daryl Stevens, was 17 years old at the time of the attack. He was attacked by Cameron Ross with a broken bottle on 22 April 2011. Ross had been drinking prior to the attack, which appeared to be unprovoked, and at his trial he could provide little explanation for why he had attacked Mr Stevens. Ross had been released on licence but had breached this licence by being arrested for a serious violent assault, allegedly involving a baseball bat, for which he had been charged. He had then been released on bail despite the obvious breach of the licence. Mrs Stevens is rightly concerned that had Ross's breach of his licence terms led to an automatic return to prison, he would not have been free on the streets to commit the assault on her son.

During the attack, a bottle was smashed into Mr Stevens' head, the back of his neck and his face. He underwent a four-hour operation in which surgeons removed glass from his body, finding shards and splinters close to his spinal cord. His family were told that he had been millimetres from permanent paralysis or even death. Frankly, Daryl Stevens is lucky to be alive today. He was helped by the skills of NHS surgeons, but he is permanently scarred and will have to face the physical and psychological repercussions of the attack for the rest of his life.

At the trial, Ross pleaded guilty to a charge of wounding with intent to cause grievous bodily harm. That is a very serious offence, which carries a maximum sentence of life imprisonment. Ross was sentenced to three years' imprisonment—the lowest conceivable sentence for somebody found guilty of this offence. Sentence was passed on 1 June. Mrs Stevens e-mailed me on 6 June to express her concerns about the sentence and the following day I wrote to the Attorney-General outlining the case and asking him to consider referring the case to the Court of Appeal. On 28 June—the last-but-one day on which this could be done—the Solicitor-General replied to me stating that in his opinion the sentence was not unduly lenient. He said that he had looked closely at the range of sentences that the judge could have passed and did not consider that the sentence was outside that range.

The Solicitor-General also replied to Mrs Stevens on the same day, conveying the same message. His letter to her consisted of five short paragraphs and gave no real explanation as to the reasoning behind the decision not to refer the case to the Court of Appeal. Mrs Stevens was particularly upset by a line in the opening paragraph of the letter which said:

> "The hours you spent in the hospital waiting for news must have been dreadful but I am sure the trauma of that terrible experience will fade in time".

Let me stress that I think the Solicitor-General, who is on the Treasury Front Bench, is a decent and civilised man, and I know that he did not wish to cause Mrs Stevens additional distress. In his subsequent correspondence to me, it is very clear that he was horrified that his comments might have caused offence to my constituent. I raise the comments in the House tonight not to cause embarrassment to the Solicitor-General but to point out to him that the short letter to Mrs Stevens—to the point of callousness and abruptness in her view—and that particular comment, which she felt to be insensitive and patronising, reinforced her view that nobody was listening to her concerns.

One of Mrs Stevens' concerns was her belief that crucial medical evidence was not provided to the court during the original trial, or at least was not seen by the judge. In his letter to Mrs Stevens, the Solicitor-General stated:

> "As I am sure you will appreciate the Crown Prosecution Service is in a better position than I am to deal with this issue."

In subsequent correspondence to me, the Solicitor-General concluded that CPS staff had met Mrs Stevens to discuss the issue and that she had found the meeting satisfactory, but that is far from being the case. Mrs Stevens told me that the CPS has stated that it is not able to provide answers to many of her questions regarding the medical reports. This has left her feeling that agencies are not talking to one another and that communication with important parties such as the victim's family in order to answer questions and resolve difficulties are not being given sufficient priority. She also feels that there is little transparency and communication as to how medical records and other evidence are used to come to particular decisions.

I received a very considered, thoughtful and detailed letter from the Solicitor-General dated 16 August 2011. In that letter, he set out, with commendable thoroughness, details of the case, information that was provided to the judge and consideration in the case of the relevant sentencing guidelines. I found it very helpful that the Solicitor-General outlined in his letter the four sentencing ranges for offences of grievous bodily harm with intent, with the judge and both prosecution and defence counsel all in agreement at the trial that, on the evidence provided, the appropriate range to use was that of four to six years' custody, with a starting point of five years.

The letter gave a very clear view of information provided in the court and elements of the Solicitor-General's thinking as he considered referring the case to the Court of Appeal, but my point is this: why did we not get something similar to that first time round? Why did it take a complaint from Mrs Stevens, channelled through me, and the prospect of this debate in Parliament, to ensure that better communication and some greater transparency in the decision making process occurred?

Mrs Stevens has felt let down at every stage of the judicial process and I suspect that, given what is in her view a light sentence, nothing would comfort her regarding her wish to see justice being done—that is thoroughly understandable—but I suggest that if she had been involved and if an open dialogue on what was decided had been promoted, the case might not have escalated to this stage.

Successive Governments have stated that victims should be at the heart of the criminal justice system. With this case in mind, will the Solicitor-General therefore resolve to improve communication with relevant parties, particularly victims and their families, and ensure that, at the earliest possible stage, as much information as possible is provided? I think that that would help to reassure parties such as my constituent and make victims feel that not only should they have their day in court to see justice done, but that they can feel sufficiently important and valued within the system, and can be comfortable as to the decisions that are made.

I mentioned that it was considered appropriate in this case to use the range of four to six years' custody, with a starting point of five years. I suspect that, at the very least, a five-year custodial sentence would have allowed Mrs Stevens and her family to believe that justice had been better served. Mrs Stevens has expressed concern to me that the sentence was excessively reduced due to such mitigating circumstances as Ross's young age—he was 18 at the time of the attack—his status as a notional first-time offender and his early guilty plea. However, there is a case for stating that Ross was an adult, and was able to stand trial as an adult, so therefore age had no real bearing.

I also understand from Mrs Stevens that Ross did not plead guilty at the earliest possible opportunity, which could conceivably have been a mitigating factor, but denied the offence when he was arrested, taken to the police station and charged, and changed his plea only at court, during the trial.

My main concern, however, is the failure to recognise the breach of the licence. I would say to the Solicitor-General in general terms that the public will have no confidence in the judicial system if offenders who have breached the terms of their licence do not have that taken into account during sentencing. It should be a major factor that increases the severity of the sentence. Ross had breached the terms of his licence, and had been released on bail after being charged with violent offences. That allowed him to attack Mr Daryl Stevens in such a brutal and life-threatening fashion. Why did the Solicitor-General not take that into account when considering whether to refer the case? Why did he not pay particular attention to the sentencing guideline in relation to this offence, which states that other aggravating factors, which could increase the length of a custodial sentence, would include commission of an offence while under the influence of alcohol, which happened in this case, and—particularly relevant to the case—the fact that the offence was committed while on licence? Why was that not given sufficient regard?

I reiterate in the strongest possible terms to the Solicitor-General that the public will not have confidence in sentencing if such factors, set out clearly in the guidance, are not seen to be used when passing sentence.

In the time remaining, I want to raise a general point in relation to the process for considering sentences unduly lenient. I have mentioned that the Attorney-General can take 28 days to consider whether a case should be referred to the Court of Appeal. I suspect that most cases would take up all that period, as files need to be obtained and reviewed, and matters need to be considered properly.

It does mean, however, that there is little scope for representation. I was hoping to have a meeting with the Attorney-General or the Solicitor-General to discuss the case and, in particular, the fact that the decision was made and communicated with only one day to spare. I appreciate that there is a tension and trade-off between thoroughness and swiftness, but does the Solicitor-General think that there is any merit in extending this strict 28-day period to ensure that the fullest representation possible can be made from hon. Members as well as interested parties?

As I stated earlier, Mrs Stevens does not feel that authority has been on her side following her son's assault. I hope that the Solicitor-General will use the opportunity available to address the points I have raised and help ensure that the horrific experience that Mrs Stevens and Daryl, as well as their family, friends and neighbours, have unfortunately faced will lead to a better and more responsive criminal justice system for victims and their families.

5 pm

The Solicitor-General (Mr Edward Garnier): I begin by congratulating the hon. Member for Hartlepool (Mr Wright) on initiating the debate so that we can discuss these important and highly sensitive issues. He has, very properly, brought his constituents' concerns to the Floor of the House. In responding, I will say something about my role as Solicitor-General with regard to both unduly lenient sentences in general and this case in particular. He should not be in the least concerned about causing me embarrassment. If embarrassment is warranted, it is his right and duty to embarrass me. I am accountable to Parliament and willingly appear to answer for my role as Solicitor-General. He should have no inhibitions in that regard. Indeed, he should be praised for vigorously pursuing the interests of his constituents—mother and son—with such attention.

Before I respond to the points the hon. Gentleman has outlined, let me focus on the horrific crime with which we are concerned. As he said, it was an offence

[The Solicitor-General]

contrary to section 18 of the Offences Against the Person Act 1861, which deals with one of the most serious non-fatal offences of violence on the criminal statute book. There is no doubt that the offence committed against Daryl Stevens last April caused great physical and emotional suffering. The victim and his family live with the consequences of the crime day in, day out, and as the hon. Gentleman has said, the impact on their daily lives has been considerable. Nothing I said or wrote earlier in the summer, either to the hon. Gentleman or to his constituent, was intended to underestimate the impact upon Daryl Stevens or his mother. I do not think it did.

On the day of the attack, Daryl Stevens, then aged 17, was doing what many young people do: spending time with friends and having a good time. He was in Chicago's Pizzeria in Hartlepool about to order some food when he was viciously attacked in public by a drunk who glassed him—he struck him several times in the head and neck with a broken glass bottle. The attack caused a 3-cm laceration to the back of his scalp, a 3-cm laceration to his left cheek and a 2-cm penetrating wound to the back of his neck. A fragment of glass, among many others, was found very close to his spinal cord. The culprit, Cameron Ross, was later caught and, after pleading guilty, sentenced to three years' detention in a young offenders institution. The sentence took into account the timing of his plea and the mitigation advanced on his behalf, to which I shall return.

Nothing I say today, and nothing I have written to the hon. Gentleman or his constituent, can eradicate the hurt caused by this dreadful offence, but I hope that what I say today will go some way towards clarifying my role in relation to the case and the way the Attorney-General and I exercise our powers on unduly lenient sentences generally. I understand that the senior prosecutor from the Crown Prosecution Service with responsibility for the case met Mrs Stevens in late July to explain the prosecution process and discuss matters further. My impression was that she left that meeting satisfied, but the hon. Gentleman clearly has a different assessment. Unfortunately, neither of us was at that meeting, but none the less there is an issue that we unfortunately cannot resolve. But, the meeting was held, and at least it indicates a willingness on behalf of the Crown Prosecution Service to make sure that victims and families are treated properly following hideous crimes such as this.

Of course, many people may consider the sentence of three years' detention to be too low, and other judges might have given a longer sentence while others might not, but sentencing is an independent judicial function, carried out by judges and magistrates within a framework set by this House, for which the Justice Secretary has responsibility within the Government. That framework provides for statutory sentencing guidelines to be issued and followed by the courts, and for sentences for certain offences that the Law Officers consider to be "unduly lenient" to be referred to the Court of Appeal to consider whether they should be increased.

The offences within the unduly lenient sentence scheme are limited by statute and, unsurprisingly, are the most serious ones, including grievous bodily harm—commonly called GBH—under section 18 of the 1861 Act. We must also refer cases within 28 days of the sentence. That is the statutory time limit, and if it is to be extended, it will need the Justice Secretary to amend legislation, but, in my experience and that of my officials, Treasury counsel and the Crown Prosecution Service, that period provides plenty of time for the case to be fully thought about, as it was in this particular instance.

The Attorney-General and I referred about 100 cases to the Court of Appeal last year. We appear in court ourselves to argue them on occasion, and indeed we have done so on more occasions than our recent predecessors, such is our interest in the matter that the hon. Gentleman has brought before the House.

It is, however, the Court of Appeal—not we as Law Officers—that decides what constitutes "unduly lenient", and it has stressed on many occasions that increasing a sentence already passed on an offender is an exceptional remedy. Sentences will not be increased unless they are significantly below what the judge should have passed. In the Attorney-General's reference No. 4 of 1989, the Court of Appeal said:

> "A sentence is unduly lenient, we would hold, where it falls outside the range of sentences which the judge, applying his mind to all the relevant factors, could reasonably consider appropriate".

As Law Officers, the Attorney-General and I exercise our own discretion in accordance with the way in which the law has been applied by the Court of Appeal. The unduly lenient sentence regime is not simply a general right of appeal against a low sentence or an opportunity for the prosecution to have another bite at the cherry; it is an exceptional remedy for exceptional cases, and when we refer cases to the Court of Appeal, we do so not as political Ministers or politicians, but in our capacity as independent guardians of the public interest.

There is a further aspect to the unduly lenient sentence regime that I should mention. The Court of Appeal will review the sentence imposed only on the basis of the information available to the sentencing judge in the Crown court at the time. It will not take into account material that might be thought now to provide grounds for a sentence to be increased if it was not available to the sentencing judge at the time of the sentence. In accordance with those principles, I considered whether the sentence imposed on Cameron Ross was unduly lenient, and, as the hon. Gentleman knows, I concluded that it was not.

The relevant sentencing guideline—the Sentencing Guidelines Council's definitive guideline on assault and offences against the person—provides four sentences ranges for this particular offence, reflecting different categories of seriousness. The sentencing judge, along with prosecution and defence counsel, considered that the appropriate sentencing range specified by the guidelines was four to six years' custody, with a starting point after a contested trial of five years, and I agree that that sentencing range was the appropriate one.

The guidelines state that the types of assault offences that fall within the four to six-year range are as follows:

> "Victim suffered a very serious injury or permanent disfigurement; or Pre-meditated wounding or GBH; or Other wounding or GBH involving the use of a weapon that came to hand at the scene."

The offender in this case, Cameron Ross, had previous convictions and committed the offence while on licence. Those were aggravating factors. That said, he was young, being 18 years old at the time of the offence, and that was a factor that took the sentence towards the lower

end of the sentencing range. In addition to detailing his antecedence, the pre-sentence report prepared by the probation service set out the offender's personal mitigating factors, which the judge took into account. He will also have taken into account defence counsel's submissions on Ross's behalf.

As I wrote in my letter to the hon. Gentleman on 16 August, to which he referred,

"I understand from the transcript of the sentencing remarks that the judge did have Daryl's statement and saw photographs of his injuries. In his statement Daryl reports exactly what he was told by doctors at the James Cook hospital. The judge will have been aware that doctors told him that he was lucky to be alive as glass was only one millimetre away from his spine, that the wound in his cheek was through to the bone and had just missed a nerve which may have left him paralysed on one side of his face, and that he would require a further operation to remove glass from his head."

I went on to say that I noted from the hon. Gentleman's letter that Mrs Stevens' concerns related also to the fact that Cameron Ross had apparently breached his licence before committing the offence against her son, and that she believed that he

"should have been detained as a result of this earlier breach."

The problem is that that issue is about how offenders suspected of a crime should be dealt with by the bailing court and is not a matter for the Court of Appeal, nor for me, through an unduly lenient reference. As I informed the hon. Gentleman, I also understand that Ross had not been convicted of these matters at the time when the sentence that we are concerned with was handed down, so they could not be taken into account.

Sentencing is an art, not a science. I know that from observing the process as a barrister over the past 35 or 40 years and as a Crown court recorder who, since 1998, has passed a good many sentences. It is the role of the judge to look at the aggravating and mitigating features of the offence and the offender, and to reach a conclusion that reflects the interests of justice in the case as regards the victims, the offender and society generally.

In this case, the sentencing judge considered that the appropriate sentence after a trial would have been four and a half years. The defendant had pleaded guilty at what the judge considered—not what I considered—to be the earliest available opportunity and so was awarded full credit for doing so via a discount of a third off his sentence, bringing the final figure to three years' imprisonment. There is another debate to be had about what is the proper public policy behind discounts for early pleas, but that is not one that I can enter into today.

It is not my role as Solicitor-General simply to conclude that a higher sentence could have been imposed or that the sentence was lenient and could have been more severe, and that therefore it must be referred to the Court of Appeal. I have to be persuaded that the sentence was unduly lenient—I underline the word "unduly". In this case, the sentence fell squarely within a proper application of the guidelines and for that reason I did not refer it to the Court of Appeal.

It is not always appropriate for this House to engage in a detailed discussion of the merits of an individual case, although our criminal justice system is of course as open to public criticism as any other area of public interest. As I said, the hon. Gentleman has quite properly advanced his concerns and those of his constituents about this case. I hope that I have explained the approach that I took and that I take, and that that is of some help to him. I appreciate that his constituent, the victim's mother, was naturally distressed by what happened to her son and wanted quite properly to be assured that justice was done. However, in my view it would not have been fair to take the case to the Court of Appeal and thereby give her and her son false hope, only for them to be disappointed.

On the provision of information to Mrs Stevens, I am sorry that she did not get what the hon. Gentleman feels she should have got as quickly as she wanted. It was certainly not my intention to withhold information that ought to have been, and I hoped had been, candidly given to her. If she is still upset, I repeat my apology.

Towards the end of his remarks, the hon. Gentleman mentioned the point about the breach of licence, and I hope that I have provided an explanation in relation to that.

I conclude by saying that the hon. Gentleman has done his duty to his constituents and to this House, and I thank him for doing it. I hope that he will recognise that I, if perhaps with less enthusiasm than he might be prepared to accept, have done mine.

Question put and agreed to.

5.14 pm

House adjourned.

House of Commons

Friday 9 September 2011

The House met at half-past Nine o'clock

PRAYERS

The Chairman of Ways and Means took the Chair as Deputy Speaker (Standing Order No. 3).

Mr Philip Hollobone (Kettering) (Con): I beg to move, That the House sit in private.

Question put forthwith (Standing Order No. 163), and negatived.

Legislation (Territorial Extent) Bill

Consideration of Bill, not amended in the Public Bill Committee

Clause 1

DUTIES OF THE SECRETARY OF STATE

9.34 pm

Helen Goodman (Bishop Auckland) (Lab): I beg to move amendment 3, page 1, line 2, leave out 'publishing draft' and insert 'presenting'.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

Amendment 6, page 1, leave out lines 7 to 10 and insert

'"legislation" means primary legislation, secondary legislation or amendments to primary legislation'.

Amendment 8, page 1, line 16, leave out 'draft'.

Amendment 14, title, line 1, leave out

'preparing draft legislation for publication'

and insert 'presenting legislation'.

Helen Goodman: I am pleased to have the opportunity to speak on this Bill and to the amendments standing in my name and that of my hon. Friend the Member for Dunfermline and West Fife (Thomas Docherty). The long list of amendments that we have tabled demonstrates that this is an extremely badly drafted piece of legislation. As I am sure Government Members know, Her Majesty's Opposition oppose the Bill. It is ill-conceived, badly drafted and full of technical problems, and we do not accept its underlying principles. For a start, it does not make sense to look at draft legislation only. Most Bills do not appear in draft at all, so this would catch only a tiny number of the Bills that the House considers.

Mr Philip Hollobone (Kettering) (Con): The hon. Lady and her hon. Friend tabled 14 amendments and one new clause, only four of which have been selected for debate. Does that not suggest that her amendments and new clause were badly drafted as well?

Mr Deputy Speaker: Order. The hon. Gentleman has been here long enough to know that we do not discuss the selection of amendments.

Helen Goodman: Thank you, Mr Deputy Speaker.

I would like to point out some of the problems with what has been suggested by the hon. Member for West Worcestershire (Harriett Baldwin), whose Bill this is. Every piece of legislation has a territorial extent clause at its end. Let us consider the Legal Aid, Sentencing and Punishment of Offenders Bill, which is currently in Committee. The hon. Member for Kettering (Mr Hollobone) has been chairing some of its sittings, so he knows what I am talking about. Clause 117 states that the Bill, as a whole, applies to England and Wales, and then explains which clauses apply more widely. There is no lack of clarity about the legal status of Bills before the House.

Clearly, the hon. Lady's underlying concern is that people are taking views on legislation that affects parts of the United Kingdom beyond those in which their

[Helen Goodman]

constituencies are located. If that is her concern, she should have presented a Bill making that case. However, she has presented a different and flawed Bill.

Lyn Brown (West Ham) (Lab): Does my hon. Friend agree that the Bill undermines the basic principle that all Members are equal?

Helen Goodman: Of course, my hon. Friend is absolutely correct.

Oliver Heald (North East Hertfordshire) (Con): The hon. Lady will be aware that the procedure for Scottish Bills, as set out in Standing Order 97, requires the Speaker to issue a certificate stating that a measure is predominantly Scottish, after which it can go to the Grand Committee. It would be possible to do the same for England. Surely it would be worth printing a complex Bill in draft—so that it can be published and people can look at it—because, if there were territorial issues on the margins, it would provide an opportunity to consider them fully before the Speaker issued his certificate. Is the suggestion of my hon. Friend the Member for West Worcestershire (Harriett Baldwin) not a valuable addition to how we have dealt with such matter traditionally?

Helen Goodman: As the hon. Gentleman says, arrangements are in place for legislation that takes effect predominantly in Scotland. However, the Government seem to be rushing legislation through so fast that it is quite possible that the Speaker and his offices might not have time to take all these complex matters into account. That is a problem with the way this Government are ramming through legislation on the NHS and, if I might say so, this Legal Aid—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We are meant to be discussing the amendments, but we are getting drawn elsewhere by certain Members. I am sure that, with the hon. Lady's experience, we can stick to the amendments.

Helen Goodman: I stand corrected. I am sorry, I was seduced by the hon. Member for North East Hertfordshire (Oliver Heald).

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): On the issues raised by the amendment, my hon. Friend said a minute ago that she suspected that the real motivation behind the Bill was not just to specify whether a Bill applied to England, Scotland or Northern Ireland only, but to lead to a situation where certain MPs could not vote on those Bills. If she has any doubt about that, the BBC reported yesterday that the hon. Member for West Worcestershire (Harriett Baldwin)

"hoped that this would allow it to become accepted practice that Scottish, Welsh and Northern Irish MPs would not vote on England-only bills."

If that is what she really wants, would it not be better to have a Bill to that effect for us to discuss and debate, rather than one that tries to introduce such a measure through the back door?

Helen Goodman: That is exactly right. This is a campaigning Bill; it is not a serious Bill. The hon. Lady cannot possibly expect the House to support this ill-conceived Bill, which would not even do what she wants.

Mr Edward Leigh (Gainsborough) (Con): So in reality these amendments are not really important in the hon. Lady's estimation; she is simply intent on wrecking this Bill by any means possible. That is the reality, is it not?

Helen Goodman: I am not intent on wrecking the Bill; I am intent on opposing it, which is not quite the same thing.

Mr Leigh: Perhaps I used the wrong words. What the hon. Lady is determined to do is stop this Bill making any further progress. That is the reality and she might as well be honest about it.

Helen Goodman *rose—*

Mr Deputy Speaker: Order. The hon. Lady is being tempted all the time. She must not give in to that temptation. Let us stick to the amendments.

Helen Goodman: Let me turn to the parts of the Bill that relate to the financial implications, which we also looked at in—

Mr Deputy Speaker: Order. The hon. Lady must not make a Second Reading speech. Let us deal with the amendments that are before us.

Helen Goodman: One of the problems with looking at draft legislation rather than legislation in its final form is that it is not possible at that stage to say what the financial implications across the United Kingdom might be. The Government would be forced not simply to identify the territorial extent of a Bill, as they do currently, but to look at the differential impact of clauses that apply across the United Kingdom. For example, some legislation could be applicable throughout the UK but have a greater effect in some places than in others. Let us take social security as an example. If unemployment is higher in Wales than in England and changes are made to the rate of jobseeker's allowance, the impact in Wales will obviously be different from the impact in England. I am sure that that is not what the hon. Lady intends.

Oliver Heald: But social security is a UK-wide competence. It is nothing to do with just England, Wales or Scotland; it applies all over the country.

Helen Goodman: The hon. Gentleman makes my exact point, but unfortunately that is not the way the Bill is drafted. That is one of its faults.

Pete Wishart (Perth and North Perthshire) (SNP): That is a very interesting point, but what exactly does it have to do with the amendments?

Helen Goodman: What I am trying to do is demonstrate that the Bill is not well drafted, and the amendments that we have tabled do just that. I fear that the object of this Bill is really a political object—that what the hon. Member for West Worcestershire is doing is disingenuous and that her concerns are different from those that she has set out.

9.45 am

Amendment 6 states that

"'legislation' means primary legislation, secondary legislation or amendments to primary legislation".

The hon. Lady must surely be aware that another problem with the Bill is that she has not provided proper definitions, which makes it difficult to understand precisely how it would operate. On amendment 14, again, the hon. Lady is talking about something that does not exist. For example, she has made great play of the Barnett formula, but she must know that the Finance Bill is not presented in draft. As far as the Finance Bill is concerned, we vote on some of the money resolutions on the afternoon that the Budget is presented. It is not possible to do what she is suggesting on what is surely one of the measures that she is most concerned about. It is quite clear that the intention behind the Bill is essentially a political intention, to do with an internal dispute within the Government parties, and Her Majesty's Opposition have no wish to intrude on private grief.

Mr Leigh: On a point of order, Mr Deputy Speaker. These amendments are really technical amendments, to insert "presenting" rather than "publishing", but the hon. Lady is very much turning this into a Second Reading debate. She is not speaking to her own amendments.

Mr Deputy Speaker (Mr Lindsay Hoyle): That is for the Chair to decide, as the hon. Gentleman well knows. I would point out that I am allowing a little bit of latitude and, in fairness, the hon. Lady has been brought back to the point, to which, in general, she is sticking at the moment. I will decide from the Chair how far we go.

Helen Goodman: I do not wish to delay the House any further on these technical amendments. I think I have made my point perfectly clear. I do not intend to push the amendments to a vote, but I hope that I have demonstrated a small number of the problems with this Bill.

Oliver Heald: Let me start by saying that my hon. Friend the Member for West Worcestershire (Harriett Baldwin) has done the House a service by introducing the Bill. It is a modest measure, but it provides something useful for the House, if the commission proposed by the Minister, which I also welcome, decides that we need a procedure for England similar to Standing Order No. 97, which sets out the Scottish procedure. That Standing Order says that when a piece of legislation is first printed, the Speaker can issue a certificate saying that it is a Scottish Bill. In those circumstances it is dealt with by the Scottish Grand Committee, which means that Scottish Members decide what happens in Scotland. I personally have always felt, as has my party, that England should have a similar opportunity, and the details of how that might be achieved have been discussed and argued over for many years.

What my hon. Friend is suggesting will help in the difficult process of deciding whether a Bill is predominantly Scottish or, in this case, English. The difficulty that the Speaker has always had to contend with is that, under Standing Order No. 97(1)(a), he can provide a certificate, and that

"it shall not be withheld by reason only that the bill...makes minor consequential amendments of enactments which extend to England and Wales".

So it is possible for a Bill that is predominantly about Scotland but has some implications for England and Wales to be dealt with under the Scottish procedure. My hon. Friend is proposing that draft legislation would contain a certificate from the Secretary of State explaining the territorial extent of its legal and financial effects on the various parts of the UK. That would be useful in cases that were on the margin.

Helen Goodman: But can the hon. Gentleman not see that the territorial extent is already in a Bill, and that the financial implications are set out in the impact assessment that is published alongside it?

Oliver Heald: The mistake in the hon. Lady's amendments is that they would not give the Speaker any opportunity to present his certificate. She is proposing that the Secretary of State's explanation would be provided when the legislation was presented, rather than when it was first printed, which would give the Speaker no time to do his work. These are therefore wrecking amendments.

Helen Goodman: The issue is the speed with which this Government are putting through legislation, and their failure to leave adequate time between First and Second Readings, and between Second Reading and the Committee stage. If they were to give Bills adequate time, that would give the Speaker the time for which the hon. Gentleman calls.

Oliver Heald: I completely disagree. The hon. Lady would give the Speaker no time at all. Under Standing Order No. 97, the Speaker has the time between the Bill first being printed and its presentation in which to decide whether or not to provide his certificate. Her proposals would provide no such time. The Bill would simply be presented; the helpful information from the Secretary of State would not be given to the Speaker before that point.

Thomas Docherty (Dunfermline and West Fife) (Lab): The hon. Gentleman is flipping between the Speaker and the Secretary of State. Under the Scottish procedure, it is the Speaker who provides the certificate, but the Bill talks about the Secretary of State doing so. These are two separate procedures.

Oliver Heald: The hon. Gentleman ought to think in terms of the partnership that my hon. Friend's Bill would create. She is proposing that the Minister would help the Speaker. Is not that a good thing? The Secretary of State would provide the Speaker with a statement setting out the territorial, legal and financial effects of the Bill. It would give him time and provide a draft Bill process for complicated cases in which there were issues on the margin. It would provide a helpful extra arrow to the bow. It is a good thing and I certainly support it. The amendments would damage that process, however, because there would be no draft Bill, and no time between a Bill's first printing and its presentation for these matters to be considered, because the rule would apply only when it was presented. These are wrecking amendments, because they endanger the spirit of co-operation that my hon. Friend is trying to engender between the Government and the Speaker in deciding whether a measure should be dealt with under an English procedure. I therefore oppose them.

Mark Lazarowicz: This is a rather odd discussion, given that there is a certain lack of transparency about what is really happening today. The hon. Member for West Worcestershire (Harriett Baldwin) has already suggested on the BBC that this is really about MPs from outside England not being able to vote on matters that are said to be English-only. We also know that the Government have proposed establishing a commission on the so-called West Lothian question. No doubt, at the end of the day, having listened to all the arguments, the hon. Lady will solemnly announce that she has been persuaded to withdraw her Bill and support the Government's commission. I therefore feel that the debate has a somewhat unreal nature, as we should be debating the real concerns that Members from England might have about the way in which the business of the House is conducted. We have the Bill before us today, however, and I want to say something about the generality of the legislation and how one of the amendments would make it better. The Opposition's duty must be to improve a Bill, especially when we think that it is a bad one.

Mr David Nuttall (Bury North) (Con): The hon. Gentleman referred to the "so-called" West Lothian question. Does he not think that there is a real problem with the unfairness of Scottish Members of Parliament being able to vote on matters that affect my constituents but do not affect their own?

Mark Lazarowicz: There is certainly an issue, but whether it is as broad as the hon. Gentleman suggests is another question. Whether the entire constitutional nature of the House should be changed as a result of it is also a matter for debate. If there is a matter to be addressed, the only way to solve it, in my view, is to set up an English Parliament or assemblies in all the regions of England. This Bill is more damaging than its supporters realise. Under the guise of simply providing for certificates stating which parts of the UK will be affected by a Bill, it is trying to achieve by the back door the outcome that the hon. Gentleman supports. That is not the right way in which to debate this issue.

Oliver Heald: The hon. Gentleman has mentioned the West Lothian question. Can it be right that a Scottish Member can vote on English matters when an English Member has no such reciprocal right? Can he answer that question?

Mark Lazarowicz: I must stay in order while answering that question, Mr Deputy Speaker. I referred to the "so-called" West Lothian question because it is not simply about West Lothian; it applies also to west Belfast, west Cardiff and even west London, in that certain matters relating to Greater London have been devolved to the London assembly. I accept that the hon. Gentleman is asking a reasonable question, but the Bill does not provide an appropriate way of dealing with it.

The Bill, rather than creating constitutional symmetry that would apply beautifully to all parts of the UK, would seriously affect the way in which the House operates and the ability of all Members to participate in debates. This question deserves an answer. I represent a Scottish constituency, and I am interested in how these issues apply to the UK as a whole, but if Members in England really feel strongly about this, I would argue against that the answer involves another measure, rather than creating two kinds of Member in this House.

Helen Goodman: Does my hon. Friend agree that another technical defect—I hope the amendments made this clear, but perhaps they did not—is that the hon. Lady has not done with her own Bill what she is suggesting that Ministers should do with every Bill? There is no explanation of how her Bill would apply in each of the jurisdictions, or of what financial burdens it would create. She cannot do that for this tiny Bill, yet she intends to impose a massive bureaucratic burden, which is something that I thought the Government were opposed to.

Mark Lazarowicz: My hon. Friend makes a good point. I have sympathy with the hon. Member for West Worcestershire, given the difficulties involved in introducing a private Member's Bill; I introduced three over the years, having been lucky enough to come up in the draw. We are obviously in a different position from Governments in the level of support available and the amount of information that we can put before the House. I do not want to criticise her too much, but it would have been helpful if she had provided a background paper to support the Bill, rather than simply relying on the material supplied by the House of Commons Library. I apologise if she did produce such a paper and I have not seen it.

In regard to amendment 6, there are a number of important issues about how the Bill would work. A great many pieces of legislation that pass through the House simply cannot be categorised as English-only, Scottish-only, Welsh-only or Northern Irish-only Bills. A large number of Bills overlap in various ways. Most Bills on transport affect transport in England but are likely to have knock-on effects on other parts of the UK. We debated the Health and Social Care Bill this week and although it primarily covers England and Wales, the provisions on abortion would have applied to the United Kingdom. Every measure that has spending implications will have consequential effects on every part of the UK because of the Barnett formula.

10 am

Pete Wishart: The hon. Gentleman knows that I do not vote on English-only legislation. It is relatively straightforward: we examine a Bill, assess it for the Scottish interest—no one is more keen than I on the Scottish interest—and if it predominantly and overwhelmingly concerns England, we do not vote on it.

Mark Lazarowicz: I do not want to go over old intra-Scottish debates, but I recollect the hon. Gentleman and some of his colleagues voting on a Thames tunnel Bill. Its connection to Scotland seemed remote. However, let us leave that aside. I do not know whether he participated in the Olympics Bill—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We are drifting once again. I am sure that the hon. Gentleman will not be tempted further and will stick to the amendments.

Mark Lazarowicz: I confess that I was tempted to reply. I shall restrain my responses, even if the interventions are off the point.

Pete Wishart: We vote on issues that have a Scottish interest, and so should the hon. Gentleman, but there are many Bills in the current Session alone on which there has been no Scottish National party vote: the Academies Bill, the Education Bill, the Health and Social Care Bill, and the Legal Aid, Sentencing and Punishment of Offenders Bill. If there is no predominant Scottish interest, we do not vote on it.

Mark Lazarowicz: There may have been no SNP vote on the Health and Social Care Bill, but the abortion counselling measures would have applied to Scotland. The hon. Gentleman is not being consistent.

Guto Bebb (Aberconwy) (Con): As a Welsh Conservative Member, I feel that the Bill gives us an important, legitimate opportunity to ask ourselves whether we can contribute to a debate when there are consequences, to consider those consequences and to decide whether we are imposing on English affairs or taking part in a discussion that will also affect Wales.

Mark Lazarowicz: That comment may support my position. Let us take the argument to the next stage: if the hon. Gentleman was asked not to vote on a Bill that had financial consequences, it would put him in a difficult position with his constituents if he chose to ignore those implications.

It is not simply that many Bills are more complex than they first seem in their implications for the UK as a whole; I am also concerned about the way in which the measure would fundamentally change the workings of the House.

Oliver Heald: Does the hon. Gentleman realise that we already have a procedure for certifying that a Bill is Scottish—

Thomas Docherty: Through the Speaker.

Oliver Heald: Yes. We did it for years. Those Bills created no real difficulty. My hon. Friend the Member for West Worcestershire offers an additional opportunity through the draft Bill process for any cases on the margins. It is not a question of changing our procedures. We already have a procedure that deals with the matter for Scotland, so why not have one for England?

Mark Lazarowicz: The hon. Gentleman knows that the procedure to which he refers does not in any sense imply that Members outside Scotland cannot vote on the final stages of measures. The Bill is very much the thin end of the wedge and would create two classes of Members of Parliament. That is my fundamental concern.

A Government could have a majority that depends on votes in Scotland, Wales or northern England—people assume that that would be a Labour Government, but politics change, and what happens in 10, 20, 30 or 40 years may not be what people expect from today's politics. After all, some 60 years ago, the Conservative party had a majority of seats and votes in Scotland, so we must think of the long-term consequences. If a Government had a UK majority in the House that depended on votes outside England, Bills that applied "only to England", on which Members outside England could not vote, would need to be supported by the Opposition. The Government would therefore not be the Government for large parts of the legislative programme. Opposition spokespeople would be the de facto Ministers for Education, Health and so on for England, and the real UK Ministers could not perform their roles because they would effectively not command a majority in the House. That would move us towards a position whereby there were two Governments in the House: a UK Government and a second Government formed by the shadow Front Bench for those "English-only" matters where there was no majority for that Government. We would reach that position if we followed the route of not allowing Members of Parliament outside England to vote on specific matters.

My position is clear. If there is genuine concern among people in England—I accept that there may well be—it should be addressed through proper devolution, and perhaps a proper English Parliament, not by trying to tinker with arrangements in this House in such a way as to undermine its working.

Iain Stewart (Milton Keynes South) (Con): The hon. Gentleman was a strong advocate of Scottish devolution in the 1990s. One of the arguments of the pro-devolutionists was that, when there was a UK majority in the House but Scotland voted another way, there was a democratic deficit. If that was correct for Scotland, why does the same not apply to England?

Mark Lazarowicz: If I were to try to answer that question, I would go beyond the amendment. I might be able to address that point on Third Reading, if it is made again.

I am concerned that the Bill might lead to the creation of two Governments in the House. It is liable to lead to genuine disagreement, tension and political division between England, Scotland, Wales and Northern Ireland. I do not want that to happen. I strongly support a Scottish Parliament and devolution elsewhere in the UK, but I want us to remain together as one UK. That is why there is a fundamental flaw in the concept of two classes of Member in the House. That was a preamble to considering amendment 6, which would at least improve the position.

Pete Wishart: May we please nail the notion of two classes of MP? There are two classes. All Whitehall Departments relate to Government Members on behalf of their constituents but only some relate to me and the hon. Gentleman on behalf of our constituents. Other matters are devolved to the Scottish Parliament and are the responsibility of Scottish Ministers. We should be relaxed about two classes of MP and just get on with it.

Mark Lazarowicz: There are probably more than 600 classes of MP, given that we all have different interests and concerns. However, the hon. Gentleman must accept that if a Government depended on a majority from outside England and could not win votes on English-only matters, they could not operate as a Government for specific issues and we would eventually have two Governments in the House. It is the inevitable consequence of the measure.

Thomas Docherty: Does my hon. Friend agree that if some Members believe that there are now two classes of MP, perhaps we should have two classes of pay and expenses so that we are not taking huge amounts of taxpayers' cash?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Those points do not need to be answered. We must get back to the amendments.

Mark Lazarowicz: I am sure that all Members on both sides of the House work as hard as they can for their constituents.

I have tried not to be diverted too much from the amendments, although, understandably, there have been a number of attempts to persuade me to deal with wider issues. Amendment 6 is at least an improvement on a bad provision, which not only implies that there will effectively be two Governments and two classes of MP, but does not make clear whether it applies only to primary legislation or, in addition, to secondary legislation, amendments to primary legislation and, indeed, private Members' Bills. The amendment does at least try to make a bad Bill more consistent, and I hope that the House will support it. In fact, I hope that the entire Bill is thrown out on Third Reading, or following its passage through the House of Lords.

There is an important debate to be had on this issue. The amendments are intended to highlight some of the difficulties raised by the Bill, but I feel that if we are to have a debate on law-making in relation to MPs with constituencies outside England when it comes to decisions that apply only in England, we should debate that issue in its generality. Let us have a proper debate on whether there should be some matters on which MPs outside England should not vote, rather than cloaking that issue in discussions about a certificate. Let us deal with the real issue, rather than with what I consider to be a bogus issue and a diversion from the real concern that I accept is felt by some Members.

Harriett Baldwin (West Worcestershire) (Con): I am pleased to learn that the hon. Member for Bishop Auckland (Helen Goodman) does not propose to press her amendment. If I followed her argument correctly, amendments 8 and 14 would extend the effect of my Bill beyond what it was carefully drafted to do. I do not think that they are necessary, and I hope that we can move swiftly on to the next stage of the Bill.

Thomas Docherty: It is always a pleasure to serve with you in the Chair, Mr Deputy Speaker.

I approach the Bill with some interest, because I am a member of the Procedure Committee. As the House will know, we are currently examining the sitting hours of the House and, in particular, the way in which private Members' Bills are dealt with on Fridays. A very small number of Members seem to have turned these occasions into what the Committee has jokingly termed "Chope Fridays"—and I note that the hon. Member for Christchurch (Mr Chope) is in the Chamber today. It is therefore welcome that that monopoly appears to have been broken, and that a worthwhile debate is now taking place.

I wonder whether today's debate would have been better suited to a full day in Westminster Hall, given that there may be no Divisions on the Bill. Indeed, given yesterday's announcement by the Deputy Prime Minister about the West Lothian commission—to which I suspect the Minister will wish to refer in his response—it might form part of the broader debate that we will have in that context. I realise that in speaking to the amendments tabled by me and by my hon. Friend the Member for Bishop Auckland (Helen Goodman) I am somewhat cup-tied, if I may use football parlance, when it comes to the realms on which I am permitted to touch, and I shall do my best not to be tempted to digress by Government Members. I know that we shall be able to engage in a slightly broader discussion on Third Reading. As I have said, I think that the debate is worth having, and probably worth having on the Floor of the House rather than at a Conservative party conference, where I believe that it would have taken place in three weeks' time if the Deputy Prime Minister had not made his announcement about the West Lothian commission yesterday.

I am concerned about two aspects of the Bill, which all four amendments seek to address. The first is the issue of consultation.

Mr Nuttall: Where is consultation mentioned in any of the amendments?

10.15 am

Thomas Docherty: If the hon. Gentleman had held his proverbial horses for another 15 seconds, he might have heard the answer to that question.

Like many other Members who are present today, I am new to the House, but I understand that in previous Parliaments there was a gap between the Government's publication of a draft Bill and their presentation of that Bill, and it is hugely regrettable that that does not happen now. I take the word of some of my more esteemed and knowledgeable colleagues who have served in earlier Parliaments, but I gather from them that it was pretty much standard practice. There would be a period of—wait for it—consultation on the Government's draft proposal, involving Members, outside experts, and other interested parties. The Bill subsequently presented by the Government might differ significantly from the draft version. I assume that the hon. Member for Bury North (Mr Nuttall) is satisfied with that answer to his question, and that I can now move on.

The second issue that concerns me is the fact that a Bill whose title remains the same may contain clauses that are very different from those on which the Government originally consulted, or which did not exist at that stage. I can think of no better example than the Scotland Bill, which is currently being dealt with in the other place. It is now a very different Bill from the one that existed during the consultation phase, and contains a different set of powers and clauses. I believe that, in such circumstances, the draft stage of a Bill could be described as a false piece of advertising. A Secretary of State might, in good faith, publish a statement—I will not be drawn into discussing why it would be the Secretary of State rather than the Speaker, as was the case with the Scottish procedure that was mentioned before, but I am led to believe that many Secretaries of State in the present Government do act in good faith: the Minister told me that that is the case, and I never have any reason to doubt the Minister—to the effect that a Bill applied only to England, without recognising the obvious knock-on

effects that it would have in Scotland. The hon. Member for Perth and North Perthshire (Pete Wishart) listed all the Bills that he said did not apply—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am sure that the hon. Gentleman is going to speak to the amendments, but he should not be drawn into areas on which discussion is not allowed. I intend to allow a little bit of latitude on Third Reading, and I would not want the hon. Gentleman to use up his Third Reading speech at this stage.

Thomas Docherty: I assure you, Mr Deputy Speaker, that there is no danger of my using up my Third Reading speech at this stage, but, if I heard you correctly at the time, you allowed an exchange to take place about the Bills listed by the hon. Member for Perth and North Perthshire—and there were some nods of agreement on the opposite Benches—in whose passage the Scottish National party and others had decided not to participate. Those parties, however, did decide to participate in debates on Bills that Government Members—and, crucially, a Secretary of State—might consider not to apply to Scotland. The most obvious example was the tuition fees legislation. I will not repeat the arguments contained in it, but when it was going through the House of Commons in, I believe, December, not only the SNP but the Welsh and Irish nationalists and the Ulster Unionists took part in the debate. A Secretary of State who may not know that that will happen when he or she publishes a draft Bill for consultation will surely, once the presentation stage is reached, have a much clearer idea of whether his or her statement was accurate, and whether Scottish Members should be allowed to participate.

Mark Lazarowicz: That is a very good example of how the presentation stage could cause confusion. It is hard to see how the English tuition fees legislation would not have constituted England-only legislation had the definition in this Bill been adopted. It would surely have been outrageous if Members from Scotland, Wales and Northern Ireland had not been able to vote on it.

Thomas Docherty: Indeed. That is one of the two most obvious examples in the current Parliament of the difference between the appearance of legislation in its draft form which has not yet been subjected to the consultation that is so critical and its appearance at the presentation stage, when it is recognised that Members from all parts of the United Kingdom should be able to vote on it. The other example is, as I say, the Scotland Bill. One would assume, given the title of that Bill, that Conservative Members would have taken no part in those proceedings, yet I am fairly certain that the hon. Member for Milton Keynes South (Iain Stewart) and I had a lively exchange on railways powers, which is a matter entirely for Westminster. That is where the power sits at the moment. The measure was about handing over a power. There is no better example of where there would be huge confusion than debates about the handing over of powers.

Another example we have been dealing with in recent weeks is police commissioners and the Police Reform and Social Responsibility Bill. Again, one might at draft stage say, "That is a matter for English and Welsh Members because powers on policing are covered by that." However, it is possible, for example, that some territorial powers might have been granted.

Let me give an example in relation to future police powers. As the House will know, the Metropolitan police have responsibility for counter-terrorism and the commissioner of the week will be responsible for that. It is possible that we would have a police Bill that deals largely, for example, with the merging of police forces in England and/or Wales, but that has a chunk that deals with counter-terrorism and the powers of the Metropolitan police as they affect Scotland and perhaps Northern Ireland. That might get added somewhere between the consultation stage and the presentation stage. That is why the measure is flawed.

I would be grateful if the hon. Member for West Worcestershire (Harriett Baldwin) could answer one question, if she is not getting pastoral care from her Front-Bench colleagues, who I think are giving her some helpful advice. She talks about the Secretary of State providing statements. Will she clarify whether the measure would equally apply to private Members' Bills and, if so, who would provide the statements on those? Would it be the hon. Lady in her current capacity, although I am sure that one day she will be a Secretary of State? Is the measure purely about Government Bills, or is it also about Bills that are dealt with on a Friday?

Harriett Baldwin: The measure is carefully worded to exclude any mention of private Members' Bills, but, if the hon. Gentleman reads the comments of the Minister in Committee, he will see there is no reason to believe that, for example, Standing Orders and private Members' Bills could not be covered by this wording.

Thomas Docherty: That leads to another important point. I have huge sympathy with the arguments both ways and I will avoid getting drawn on another issue, but if that were not the position, the Government could, like in the 1960s, put a lot of contentious legislation—Jenkins did this in particular—in private Members' Bills that were effectively Government Bills. I know that there is always a temptation with newish Members to give them nice, easy private Members' Bills. If we take, for example, a ten-minute rule Bill, we get a dummy Bill that does not have any clauses. It is only at the presentation stage that there is some consultation. That is why it is important, given, if I understand it correctly, that the hon. Lady, with the Minister's support, is saying that the Bill would equally apply—

Mark Lazarowicz: So one could have a situation where, shall we say, a UK-wide Government were against privatisation of the health service, but the majority of English MPs were in favour and voted it through, and then a private Member's Bill could be used to reverse the decision of a majority of English MPs. That does not sound like a helpful or consistent way of managing parliamentary business.

Thomas Docherty: I think, Mr Deputy Speaker, that you would call me to order if I were tempted down that path. I certainly will not get drawn on that, but I do not think that that is the case. The hon. Lady has made it clear that the provisions apply equally to private Members' Bills and ten-minute rule Bills. I have sympathy with the argument that it should apply to those, but if there is a reason why the procedure needs to take place at presentation stage, it is that effectively we do not have a draft consultation stage.

[Thomas Docherty]

To give an example, I have a Bill scheduled for January and I know that the hon. Member for Christchurch (Mr Chope) and I will debate it on 20 January. It went through the ten-minute rule Bill procedure. There was not much consultation because it was a ten-minute rule Bill procedure; that was before the presentation stage. There certainly was not a draft Bill at any stage. That is where the hon. Lady, as well intentioned as her Bill is, has left a loophole in her provisions.

My hon. Friend the Member for Edinburgh North and Leith (Mark Lazarowicz) was talking about the Mersey tunnel. That is a good example. There are others to do with railway infrastructure projects. From the title of a Bill, one may believe initially that it affects the whole UK, because it is about financial compensation. However, by the time one gets to the guts of the Bill and it is presented, one finds that the reverse is true and that it is predominantly an English matter. For example, let us take the Bill that will, if it goes ahead, be required for High Speed Rail 2. I imagine that we will have a Bill that will cover the section from London to Birmingham. At the draft stage, it might be a predominantly UK matter, because of the financial elements, but by the time the Government bring it to the presentation stage, they will have added so much to it, understandably, that the statement given at the start will be significantly out of date. That is why it is so important that the amendments that I and my hon. Friend the Member for Bishop Auckland have tabled and that the Speaker has selected—amendments 3, 6, 8 and 14—try to tighten the Bill.

I know that, when the Minister replies he will make a suggestion, and again I have sympathy for him. I am not sure whether it helps him when I say this, but I find him to be a very effective Minister who is on top of his brief, which helps when one's boss is the Deputy Prime Minister, because someone should be. I am sure that the Minister will have constructed a reasoned and thoughtful argument. He is very good at getting off his brief and still being able to cope, which not every Minister can do. I suspect that he will advance the argument about the interference of the courts in the proceedings of the House. I suspect, if I were to stray into certain territories about the power of the courts versus this place or the other place, and discuss that, you, Mr Deputy Speaker, would rightly pull me sharply back into line.

May I say to the Minister, because I am not sure that I will get the chance to respond to his arguments afterwards, that I fear that the provisions are slightly 11th hour and I would be grateful if he spent a bit of time setting out in what ways he believes the courts would have the right to intervene significantly in this area, because I am yet to understand what it is he feels would lead to that situation? I am conscious that the Minister will require a bit of time to respond to the debate, and I hope that he will give way to us so we can have that exchange.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): First, I think that it is worth saying that I agree with colleagues on both sides of the House when they say that the progress of the Bill so far has been a useful opportunity to have a debate. I thank my hon. Friend the Member for West Worcestershire (Harriett Baldwin) for that because she has given us an opportunity to have a debate about the West Lothian question and how the House operates in a devolved situation, and she has done the House a service by permitting us to have a debate in this forum. I am afraid that the Government remain opposed to the Bill overall. I will say a bit more about that on Third Reading.

Specifically talking about the amendments, I know that the hon. Member for Bishop Auckland (Helen Goodman) said that she was not going to press them, but they provide an opportunity to flesh out some of the flaws with the approach in the Bill, while keeping focused on the provisions. The hon. Member for Dunfermline and West Fife (Thomas Docherty) put his finger on a key point when he talked about the potential interference of the courts. My hon. Friend drafted the Bill with great care, and it addresses only draft legislation. If it had also addressed legislation and the legislative process, it could have opened up proceedings in this House and how we make legislation to interference by the courts, because if the process for legislation were set down in statute, whether we complied with that process would be a question to be settled in court. We do not want that.

10.30 am

My hon. Friend the Member for North East Hertfordshire (Oliver Heald) referred to the Scottish procedure. That is addressed in Standing Orders so that it remains internal to this House. Arbitration on those Standing Orders lies with the Chair, so the courts are not allowed to trespass on the rights of this House. Therefore, I think that the hon. Member for Dunfermline and West Fife—I was almost tempted to call him my hon. Friend because of his overly kind comments about me, which I do not think will have done me any favours with Members of my party—would have been completely in order if he had started discussing the ability of the courts to trespass on, and interfere in, the rights of this House, because the amendments selected for debate widen the Bill's scope to cover legislation, which would present the risk that I have outlined. That is why we would oppose the amendments—although I note that the hon. Member for Bishop Auckland has said she will not call a Division. The amendments also illustrate why, although this Bill has been an excellent vehicle for debate, it does not represent a solution to the justified concerns of hon. Friends.

Mr Leigh: This is an extraordinarily narrow amendment to what is a tentative, but worthwhile, Bill. Therefore, on the point the Minister is making now, will he undertake to bring in real legislation once and for all to deal with the West Lothian question, so that Scottish MPs do not vote on English business?

Mr Harper: I was listening very carefully at the beginning of the debate, and when my hon. Friend intervened on the hon. Member for Bishop Auckland, he referred to her amendments as technical amendments. She concurred, but they are not technical amendments at all as they would radically change the nature of the Bill, in that it would apply no longer only to draft legislation, but to all legislation presented in the House. They are not technical amendments at all, therefore, as they fundamentally reshape the nature of the Bill. I am not surprised that my hon. Friend, who has only had a

limited opportunity to study the Bill, said that they were merely technical amendments, but I am a little surprised that the hon. Member for Bishop Auckland concurred, because I would have expected her to be able to see that they are significant and broad ranging.

Thomas Docherty: The Minister says a slew of legislation would not be covered by the Bill as it stands. Will he explain to me which Bills he is talking about?

Mr Harper: The Bill would apply only to draft legislation. In the past, not much legislation was presented in draft form. Some technical and controversial measures were, but many were not. That has been the case under all previous Administrations. The current Government have a good record, however, in that we publish an increasing amount of legislation in draft. My right hon. Friend the Leader of the House is encouraging ministerial colleagues to continue that trend and, for example, the Deputy Prime Minister and I published draft legislation in respect of a House of Lords Bill and draft clauses on individual electoral registration that have been consulted on by the Political and Constitutional Reform Committee.

Mark Lazarowicz: At the risk of doing even more damage to the Minister's political career, may I say that his arguments against the Opposition amendments are persuasive and correct and I am therefore glad that my hon. Friend the Member for Bishop Auckland (Helen Goodman) has suggested she will not call for a Division? Given the scope of the issues addressed by the amendments, will he confirm that the commission the Government will set up will not do a rush job, but will be comprehensive and take all the time it needs to look in detail at all the issues? As the Minister rightly points out, these are not simple issues, and if there are going to be changes—I am not convinced about that—we must not have changes that do not stand the test of time.

Mr Harper: While we are discussing these amendments on Report, I will limit my remarks, or else I think Mr Deputy Speaker will call me out of order. The issues are indeed complex. There is a limited range of solutions, and they are well known, but we must make sure that we have thought through the consequences, particularly pertaining to how this House operates. That is why the Government will set up a commission to look into these issues. Perhaps on Third Reading, Mr Deputy Speaker will allow me to say a little more about that, and allow Members to ask questions about the written ministerial statement I tabled yesterday.

Mr Christopher Chope (Christchurch) (Con): The Minister refers to this being very complex. Why, therefore, did the Government not set up this commission a year ago? Will he apologise to the House for the fact that the Government did not set it up a year ago, and will he confirm that the reason why it was not set up was because it was blocked by the Liberal Democrats?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. As Mr Chope should know, we must keep our powder dry on that point until Third Reading. I ask the Minister not to be tempted.

Mr Harper: I am often tempted by my hon. Friend, but I will resist that particular temptation, at least until Third Reading.

Thomas Docherty: The Minister is again proving my earlier point about how fleet of foot he is in staying in bounds while also covering his brief very well. I take his word for it that previous Administrations may not have been as noble as his Government in that they often did not produce proposed legislation in draft form and instead went straight to the presentation of a Bill. That does not strengthen the argument for making the presentation of Bill stage the point at which a statement must be published however, because a less scrupulous Government than one in which the Minister would be willing to serve might seek to get round things by not having a draft consultation stage and instead going straight to presentation of the Bill.

Mr Harper: I shall address that point later, but for now let me say that when we publish legislation, we already publish territorial extent clauses. I have a couple of examples to share with the House that demonstrate why these amendments are unnecessary because we already do what they suggest we should do, and inserting them into the Bill would open up the possibility of court interference in how this House operates.

Oliver Heald: I imagine the commission will look at the experience in respect of Standing Order No. 97 and the way it was used for Scottish business. These amendments raise the issue of the timetable between a Bill being first printed and then presented, and the certification of the Speaker would be an issue if Standing Order No. 97 were being looked at for England. In that context, will the Minister assure us that the current and former Clerks of the House, as well as the senior officials present and, perhaps, those who work in the Speaker's office, will have an opportunity to give some input into the commission on the procedural timetable and how it might work?

Mr Harper: If my hon. Friend will permit me—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Once again we are being tempted to address matters that should properly be discussed on Third Reading, and I know that the Minister does not want to do that.

Mr Harper: You are always very quick to keep Members in order, Mr Deputy Speaker, but I was about to resist the temptation offered by my hon. Friend and instead ask him if he would permit me to come back to the point. I do not have to ask him now as you have instructed me not to address it now. We touched on this point in the written statement I tabled yesterday, and I will flesh it out on Third Reading.

Returning to the points the hon. Member for Dunfermline and West Fife made on the amendments, we will not support them because they widen the scope of the Bill significantly and are therefore not just technical in nature. It is helpful that the Opposition have tabled them, because they have demonstrated, as I started to say, why this legislative approach is likely not to be the solution to the West Lothian question—this was the point suggested by my hon. Friend the Member for Gainsborough (Mr Leigh). If the West Lothian question is about how this House legislates, any solution will probably have to be carried out through Standing Orders

[Mr Harper]

so that this House remains in control of it rather than the courts being permitted to start interfering, which is the last thing we want.

Having dealt with the amendments as a whole, let me turn now, briefly, to amendment 6, which defines legislation as both primary and secondary legislation. It is worth making the point that there is no need to include secondary legislation because it is made by virtue of the powers given to Ministers in primary legislation.

Mr Leigh: This is a very important point. If I understand it rightly, the Minister seems to be saying that the West Lothian question cannot be dealt with by legislation because that would be subject to interference by the courts, and that it should be dealt with by Standing Orders. That is where we are going now, is it? The Minister is speaking on behalf of the Government on this incredibly important issue. Are we moving towards a process by which the Government will move a motion through the House to amend Standing Orders to deal with the West Lothian question? Is that what he is saying?

Mr Harper: No, that is not what I am saying. I am saying that it is a complex matter and I shall say a little more on Third Reading, when I am permitted, about the commission. I am simply saying that a statutory solution is unlikely to work because if a statutory solution were to touch on the legislative process and legislation, which is what Members are interested in, as opposed to draft legislation, it would open up the proceedings of this House to the courts—this is exactly why my hon. Friend the Member for West Worcestershire wisely kept the scope of her Bill to draft legislation. That is not something that Members want to do and if we proposed to do that, I am sure that the Clerk of the House would give evidence to the Committees of this House to point out the great risks of that approach, as has happened before. My hon. Friend the Member for Gainsborough is in danger of jumping forward, and I suspect we can have a little more debate on this matter on Third Reading without my risking the danger of being ruled out of order.

On amendment 6, as I was saying, secondary legislation can have only the same territorial extent as the powers set out in primary legislation, so that aspect of the amendment is not really necessary. Amendments 8 and 14 are fairly minor in detail so I do not propose to refer to them.

Overall, the amendments are not necessary. It is worth discussing one thing, however, because it is relevant to the amendments. The amendments widen the scope of the Bill to cover legislation and I want briefly to remind Members—this was touched on, briefly, by the hon. Member for Bishop Auckland, and I will not dwell too long on individual Bills as you will rule me out of order, Mr Deputy Speaker—that when Ministers publish legislation they already have accompanying provisions on extent. We set out in the territorial extent clauses in the legislation which clauses and schedules apply to which legal jurisdiction. There is also a territorial extent section in the explanatory notes that accompany all Bills that describes the extent provisions in more detail in a more narrative form, explaining which parts apply to each part of the United Kingdom. If Bills have an effect on finances and Barnett consequentials, those are set out when legislation is put before the House.

So that Members have a better idea, let me give one or two short examples. The Health and Social Care Bill had a fairly detailed territorial extent clause. The default position was that the Bill extended to England and Wales, but certain parts of the Bill extended to England and Wales, Scotland and Northern Ireland, some to England and Wales and Northern Ireland, and some to England and Wales and Scotland. There was more detail in the explanatory notes, which set out which parts of the Bill they were. For example, part 2 of the Bill abolished the Health Protection Agency, a body with a UK-wide remit, so those clauses were UK-wide. Others referred to special administration procedures that were UK-wide. The clause is legal and technical but describes in some detail how the Bill applies to each part of the United Kingdom.

As the hon. Member for Perth and North Perthshire (Pete Wishart) said, the reason he and his colleagues are able to consider legislation and make a decision about which ones they chose to speak and vote on is that they can look at the territorial extent clauses and make that judgment.

10.45 am

Pete Wishart: The Minister will obviously know that there are legislative consent motions in the Scottish Parliament that consider the Scottish aspects of what are notionally English-only Bills and allow this House to legislate on its behalf.

Mr Harper: The hon. Gentleman touches on another point: although this House has, through the devolution settlement, passed the power to legislate in certain areas to the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly, it is still possible for the House to legislate in those areas. The House has said that it will do that with the consent of the Scottish Parliament and Welsh Assembly, which is exactly what happens. It is possible for this House to legislate in areas that are devolved if it goes through that consultative process and secures the agreement of the devolved legislatures.

Mark Lazarowicz: Does that not highlight the problem with the reverse situation highlighted in the Bill? There is no way in which MPs for England could express their consent for Scottish MPs in this House voting on English-only measures, unless we had some kind of English-only Parliament. That shows, does it not, how we cannot have a situation in which MPs from outside England are in some way barred from voting on matters that are said to affect England only.

Mr Harper: The hon. Gentleman is leaping into solution space, but he is right. I agreed with one thing he said in an exchange with my hon. Friend the Member for Bury North (Mr Nuttall), when he referred to the so-called West Lothian question. That was helpful as the West Lothian question is called that because it was raised by the then Member for West Lothian, but we are really talking about how we deal with legislating for England in a country that has devolution. That is not very catchy, and if any Members can think of a more

catchy way of describing the West Lothian question that encapsulates its nature in a way that will resonate with people, they could perhaps suggest it to me.

Let me give one more straightforward example of an extent clause. It was in a Bill for which I was responsible, which is now an Act of Parliament: the well-supported Parliamentary Voting System and Constituencies Act 2011. The Act applied for the most part throughout the United Kingdom, with a limited exception. Part of schedule 3 extended only to Great Britain and one part extended only to Northern Ireland as a result of the different electoral arrangements. It had a very short extent section but meant that Members were very clear about where it had effect.

I hope I have set out for the House why we do not support the amendments. The hon. Member for Bishop Auckland has already said that she will not press them to a vote, but this has been a helpful debate to flesh out some of the concerns about this approach. She has done the House a service through her amendments, as has my hon. Friend the Member for West Worcestershire by allowing the House to debate these important matters.

Helen Goodman: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Third Reading

10.48 am

Harriett Baldwin: I beg to move, That the Bill be now read the Third time.

Let me start my remarks by reassuring Opposition Members about a number of things that are not in the Bill and say that—surprise, surprise—both the BBC and *The Guardian* occasionally misreport things. I want to reassure everyone here that I am a whole-hearted supporter of the Union. I have referred before in the Chamber to the memory of my late, lamented grandmother, Flora McLean McLeod Morison, from the Isle of Skye, and I think that that will go a long way towards reassuring everybody what a strong supporter I am of the Union, being a physical embodiment of it myself.

I also want to reassure everybody that I support the trajectory that we have been on over the past 10 or 15 years in terms of devolution. I think that all decisions, as we are seeing with the Localism Bill, should be made at the lowest possible level in terms of the people whom they affect. That brings democracy close to the people who are affected by laws, so I am wholeheartedly in favour of devolution. I also want to reassure Opposition Members that there is nothing in my Bill that would create two classes of MP. That has been a characteristic of previous attempts by colleagues to resolve this question, but that situation is clearly not acceptable. We cannot have an answer that relies on two classes of MP at Westminster, and the Bill deliberately avoids anything along those lines.

Mark Lazarowicz: I am grateful to the hon. Lady for the constructive way in which she is presenting her Bill, but if she does not want to create two classes of MP, what is the purpose of certifying legislation in this way? What would happen if a Bill were stated to be English only? Why is she saying this, if she is not expecting MPs in some way to be disbarred from taking part in discussions and voting on such issues? What is the purpose behind her Bill?

Harriett Baldwin: I assure the hon. Gentleman that I shall be going into great detail on that point.

Oliver Heald: I congratulate my hon. Friend on her Bill. Does she agree that in the House, during the period when Scottish Bills were dealt with by the Scottish Grand Committee under Standing Order No. 97, nobody ever talked about two classes of MP? Why should that happen with an English procedure?

Harriett Baldwin: My hon. Friend makes an erudite point, and I shall no doubt refer to Standing Order No. 97 in my remarks.

I completely agree with the Minister that this matter should be framed as an English question. Clearly, it is an unfinished piece of constitutional business that the devolution settlement has allowed a situation in which English matters increasingly come before the Chamber and are voted on by MPs from all parts of the United Kingdom.

Pete Wishart: I, too, congratulate the hon. Lady on getting so far with this Bill, but does she have any explanation why the sole Conservative MP from Scotland has voted on English-only legislation? The Academies Bill, the Education Bill and the Health and Social Care Bill have all been voted on by the one Conservative MP from Scotland. Does she think that he is setting a good example?

Harriett Baldwin: I think the Under-Secretary of State for Scotland, my right hon. Friend the Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell), sets an absolutely marvellous example in all respects, as one would expect me to say. I am sure that the hon. Gentleman, who represents the Scottish nationalists, will be delighted with the Scotland Bill that my right hon. Friend is helping to bring forward in this Parliament; he is being very uncharitable to my right hon. Friend.

This is an urgent problem that needs to be resolved in this Parliament. To make my point, I need refer colleagues and Opposition Members back only as far the last general election when, as we know, no party got an overall majority in this Parliament and there were negotiations between not only the Conservative and Liberal Democrat parties but between the Labour party and the Liberal Democrats. At that time, there was talk of a rainbow coalition of parties that might come together at Westminster, and I remember the upsurge of resentment in the correspondence that I received as a representative of what I like to think of as the heart of England about how completely undemocratic it would be to have a situation in which English-only legislation came through the House relying for support on a majority of MPs from other parts of the United Kingdom.

Mark Lazarowicz: Is not this getting to the heart of the issue, because the logic of what the hon. Lady is saying is that if that situation had developed, some MPs should not have been allowed to vote on England-only matters? This is not just about a certificate; she is going

[Mark Lazarowicz]

down the road of trying to bar MPs from outside England voting on such issues. That is very divisive to the whole nature of this House and the constitution.

Harriett Baldwin: I draw the hon. Gentleman's attention to the wording in the Bill: there is nothing in it that would prevent him from continuing to vote on English matters, should he so choose. However, if a piece of legislation came forward and he could be confident, as a result of this Bill, that the measures in it would have no effect whatever on his constituents, he might feel comfortable writing to his constituents and saying, "Having looked closely at this piece of legislation, I feel comfortable that I might abstain from voting on it."

Thomas Docherty: The hon. Lady has mentioned the upsurge of resentment in the correspondence that she got about a system that might be put in place. Does she understand the outrage in Scotland about the fact that 83% of people did not vote for David Cameron to be Prime Minister, yet the Scots are now stuck with him?

Harriett Baldwin: I am sure that colleagues on the Government side of the House are absolutely delighted that my right hon. Friend the Member for Witney (Mr Cameron) is the Prime Minister.

Iain Stewart: I, too, congratulate my hon. Friend on having proceeded this far with her Bill. Does she accept that if the Bill became law, we could introduce measures that would protect England without barring any Member from voting on legislation? I refer to the idea put forward by my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind) and others for a double majority system in which Bills that applied only to one territorial part of the United Kingdom would require the support both of the whole House and of Members from that territorial part in order to be passed.

Harriett Baldwin: My hon. Friend is absolutely correct; there has been a substantial body of work looking at exactly how to resolve this question without creating the completely impossible situation of having two classes of MP.

Helen Goodman: An interesting point is developing here. I wonder whether the hon. Lady is considering not voting on the Government's Scotland Bill, in line with what she is saying, and whether the Government are looking to have the support of a majority of Scottish Members for the Scotland Bill before it receives Royal Assent.

Harriett Baldwin: The hon. Lady points out precisely why it is so important to resolve in this Parliament some of those complex constitutional issues. There will be others, I am sure, who will refer to the problems of the other House and the fact that there is draft legislation currently in this place about reforms to that House. There might be consequences for that piece of legislation as well.

Oliver Heald: On the point that the hon. Member for Dunfermline and West Fife (Thomas Docherty) just made about the people of Scotland not having predominantly voted for a Conservative Government, is it not the case that when Tony Blair was elected, the majority in England did not vote for him, but we had to put up with him?

Harriett Baldwin: I will not digress down that particular historical byway.

Let me get back to the Bill, which does three simple things.

Mark Lazarowicz: I thank the hon. Lady for giving way such a lot—this is a very important Bill for us all. Is her position really that if a Bill affects one part of the UK, it should not be supported if the majority of MPs from that part of the UK are not behind it?

Harriett Baldwin: My position is an English position. As a representative of an English constituency, I think that an increasingly large amount of the legislation that comes before the House affects England only and that if the House continues not to tackle this issue, it will increasingly become one that our constituents find extremely distressing.

Thomas Docherty: The hon. Lady is doing a superb job of not falling into the trap that some of her colleagues fall into of simply being anti-Scottish or very bad losers. Does she accept, however, that large chunks of legislation, such as the measures concerning the Olympics, affect only one region of England? Is she saying that her ultimate goal is that only MPs from the affected regions should be allowed to vote on such measures—I am looking at the Minister, because I am pretty sure that a Bill went through recently that specifically affected his region—or will it be a case of Worcestershire imposing itself on London?

Harriett Baldwin: I reassure the hon. Gentleman that nothing is further from my intention than to revisit the regional question, which was so resoundingly defeated by the voters of the north-east as a complete white elephant. I am talking about England—I am sure that the hon. Gentleman understands what we mean by England—and I am talking about issues that increasingly come before this Chamber that refer just to England.

I want to thank colleagues, the Minister and those who worked so hard on the Bill in Committee for allowing us to reach the stage in the debate where I can reiterate what the Bill does. It essentially does three things. In developing those three things, it has drawn on the work of those much wiser, more experienced and more eminent than myself. I am a mere new Member of the House, so I was able to benefit from learning about the recommendations that have come through a couple of sources. Let me start by reading from the recommendations of the Justice Committee in the previous Parliament.

In 2009, the Justice Committee prepared a report called "Devolution: A Decade On". In its conclusions and recommendations, it said:

> "The question of whether England-only legislation can be more clearly demarcated from other legislation has to be resolved if any scheme of English votes for English laws is to work."

Mr Leigh: I do not understand what the problem is. Why should there be any difficulty for the Government in recreating our old Standing Orders to allow us to

demarcate legislation as English? We used to do it with Scottish legislation; why can we not do it with English legislation? It could be done in five minutes.

Harriett Baldwin: My hon. Friend makes a perfectly valid point, but I will speak about some of the other recommendations of the Justice Committee, which are relevant to some of the other clauses in my Bill:

"Even if legislation could be more clearly distinguished, the current system of territorial financing in the UK post-devolution means that the levels of public finance decided for England determine levels of resource allocation to Scotland and Wales. While we agree that the system could be changed in order to remove this effect, such a change would be a necessary prerequisite".

I have taken a slightly different approach in this piece of legislation, which is to spell out on the face of the draft legislation what impact the Government think it might have on the Barnett formula and any successor formula. That would allow hon. Members who represent the Scottish National party to look at the legislation and reassure themselves, for example if there were no financial consequences, that they could have their hand strengthened in some way in their practice—which was mentioned earlier by the hon. Member for Perth and North Perthshire (Pete Wishart)—of not voting on legislation that does not affect their constituents.

Guto Bebb: On that important point, High Speed 2 has been mentioned. Obviously that issue affects England, but the financial consequentials might be to the tune of £2 billion, which would make me very keen to be involved. It would be of great help to a Welsh Conservative MP, therefore, to have that information on the face of the draft legislation.

Harriett Baldwin: I thank my hon. Friend for that Welsh perspective and that support for the principles of the Bill.

Mark Lazarowicz: Does not the issue of HS2 illustrate how impractical and divisive this attempt to divide the House would be, even if only in terms of indicating where a Bill applies? The legislation on HS2 may appear to affect only England, with trains going to Manchester and Liverpool, but the trains, hopefully, will go north to Scotland, and will also go to north Wales. In many areas it is not possible to make a simple division into Scotland-only and English-only Bills. It would divide the House and divide the way in which it operates.

Harriett Baldwin: I am not saying, am I, that a lot of legislation will have those characteristics, but some legislation will, and there will be more and more of it as we devolve more and more powers to other parts of the UK. So why not know about that when such legislation comes before the House? Indeed, as the hon. Gentleman points out with his example, there may well be knock-on consequences for other parts of the UK, in which case that would be very apparent to him.

I was mentioning some of the eminent minds that have informed the Bill. I also drew heavily on a piece of work that was done by the Conservative party in opposition. My right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) is now Secretary of State for Justice, but in those days he chaired the democracy taskforce. He prepared a committee that included my hon. Friends the Members for Chichester (Mr Tyrie) and for South Thanet (Laura Sandys) and none other than our distinguished Leader of the House. They came up with recommendations for dealing with the democratic deficit on this constitutional issue.

One suggestion was that Standing Orders might be used. Some of the examples given mentioned Standing Order No. 97, which was formerly used to deal with Scotland-only legislation. As I understand it, however, some of the academic reaction was that it might put the Speaker in a very awkward position, were he asked to certify that a piece of legislation applied to England only.

The Bill is designed to address that challenge for the Speaker, because we would certainly not want to politicise the Chair. Goodness me, this is so far above my pay grade that I feel I should not be trespassing on these areas at all, but the provision of more information in draft legislation would make it easier for the Speaker to use his powers or to allow the House to agree changes recommended by the Procedure Committee in 1999—I am sure the hon. Member for Dunfermline and West Fife (Thomas Docherty) will allude to that in a moment—to alter some of the Standing Orders to allow certification of Bills as applying to other parts of the UK.

Thomas Docherty: It is always comforting to hear that some Conservative MPs have the best interests of the Speaker at heart. Surely the role of the Speaker is to be the impartial judge. I suggest that there is the possibility of a Secretary of State having a vested interest in ruling one way or the other whether or not all MPs should be allowed to vote on a piece of legislation. That would be most unsatisfactory, would it not?

Harriett Baldwin: That is why my Bill gives much more ample time for pre-legislative scrutiny of the draft legislation setting out these issues, and setting out very clearly whether there are any financial implications. I am sure that as the hon. Gentleman is a member of the Procedure Committee, he has looked at those 1999 recommendations.

I shall now speak about the news that we got yesterday. I take the opportunity to welcome very warmly the announcement that the Minister made yesterday that he is about to establish at long last a commission to examine the West Lothian question. Throughout these proceedings, the Minister has been exemplary in recognising that the Government need to look at that issue. As we know, he is an extremely busy Minister, and he has had a number of other pieces of crucial legislation to get through. I have asked myself on occasions when the commission might be established. We got a little more information in yesterday's written ministerial statement, but if I may, I shall take the opportunity to ask the Minister some detailed questions about how he anticipates the questions left unanswered by his statement might be resolved.

The statement referred to the commission being established in the weeks following the return of Parliament in October. The Minister has also spoken about his intention to set up the commission by the end of 2011. Colleagues have heard that said many times. I think we can deduce that we will have an announcement of the commission between our return in October and 31 December. First, will the Minister confirm that that is the correct understanding?

[Harriett Baldwin]

Secondly, what will be the commission's instructions about its timetable for reporting? I acknowledge that the Minister has been busy steering a lot of legislation through the House, but I am worried that it has taken until now to receive a written ministerial statement about the commission's establishment. When the commission is established before the end of the year, what instructions will he give it about reporting back? Specifically, will it report before the end of the Session, so that any legislation required to put in place its recommendations may be included in the next Queen's Speech? I do not think that we know when the next Queen's Speech will be, but we have a hunch that it might be some time around May.

Mr Hollobone: I congratulate my hon. Friend on her role in pushing the Government finally to produce the written ministerial statement. Our hon. Friend the Minister is no doubt sympathetic to her aims and mine, but I suspect that our absent colleagues—the Liberal Democrats, who are not in the Chamber—are the ones who have delayed substantial progress on the issue. Were it not for the Bill, I doubt that we would have received the ministerial statement at all.

Harriett Baldwin: I would not want to make that sort of statement. The Minister has been extremely busy, and I know that a commitment to set up a commission to examine the West Lothian question was in the coalition programme for government. However, we will want to hear from the Minister when the commission is likely to report.

Margot James (Stourbridge) (Con): I congratulate my hon. Friend on piloting her Bill to this stage. Does she share my disappointment that the commission will not deal with financial matters? Given her excellent knowledge in this area, will she hold discussions with the Government to find out more about the "various processes" led by Treasury Ministers that are described in the statement, because it is the financial disparities that cause most concern to my constituents, because they observe that, over the past 25 years, there has been a £200 billion subsidy to other parts of the United Kingdom from this country?

Harriett Baldwin: My hon. Friend asks a sensible question. Her point explains precisely why my Bill would provide that any impact on the Barnett formula or any successor should be spelled out. We have heard fine examples today that show that Opposition Members will lose no opportunity to suggest ways in which English-only legislation could affect their constituents, such as because it might have hidden, knock-on financial implications of which they are not aware. I am sure that the Minister will want to address my hon. Friend's good question.

It would be helpful to hear more information about the commission's terms of reference, because yesterday's statement was clear about those things that it will not cover. In addition, how will it take evidence? Will it sit in public? Will it be a body to which everyone can volunteer to give evidence? Who will chair it, because there is a fairly small number of people who fit the narrow definition of those who should serve on it?

Pete Wishart: The hon. Lady is talking about membership of the commission. Does she believe that it is absolutely imperative that that must include someone with a working knowledge of the Parliaments and Assemblies of the United Kingdom, so that they can advise about possible knock-on consequences? She mentioned financial points, but there could be others, so it is imperative that someone on the commission has full knowledge of the Parliaments, legislatures and Assemblies of the UK.

Harriett Baldwin: The hon. Gentleman raises important questions, and we will want to know who will serve on the commission.

If the commission recommends changes to procedure, will they be binding on us, or will we have the opportunity to debate them? How will its recommendations fit in with the draft Bill on changes to the other place, because that could involve important consequences? When we have raised the West Lothian question over the past few months, I have been concerned that some ministerial replies have linked it to the proposed changes to membership of the other place. Whatever one's view of those changes, we all agree that they are unlikely to be made quickly. During this Parliament, the resolution of the West Lothian question, to use today's shorthand—or the English question—is more urgent than reform of the other Chamber, so I would not want progress on this issue to be delayed due to the necessarily slow progress of legislation to reform the other place.

I reiterate that the Minister has been exceptionally helpful and insightful, and while I welcome yesterday's announcement about the commission's establishment, the written ministerial statement contained a lot of unanswered questions. I therefore again ask the crucial question whether any legislation that might be required to enact the commission's recommendations will be in the next Queen's Speech. We cannot delay dealing with this point for much longer. If the commission recommends legislative changes, they need to be in the next Queen's Speech, so that they can be tackled in the next parliamentary Session. As we have heard, these complex issues will require time for consideration, but following the process, I would want any necessary changes to tackle the remaining unanswered English constitutional issues to be in place before the next general election. The Bill has already had an impact.

Thomas Docherty: The hon. Lady makes a compelling argument in support of her position, but she has not addressed the position of Secretaries of State and Ministers. As part of the process that she wishes to put in place, does she think that Members of this House and the other place who are considered to be Scottish, Welsh or from Northern Ireland should not be allowed to serve as Ministers in a Department or, if they are Ministers, to vote on their own Department's legislation?

Harriett Baldwin: I am sure that the commission will want to consider that important question. I have proposed a modest approach, so the hon. Gentleman is asking a question that is way above my pay grade. My Bill contains a modest suggestion that is based on the accumulated wisdom of the democracy taskforce and those members of the Justice Committee at the time of its 2009 report.

I know that the Minister is aware of the controversy about which I have spoken, given his intention to address the matter through the commission, but even if he cannot give us a complete answer today, we will all want to hear from him that there is a sense of urgency about resolving the situation during this Parliament. I remind colleagues that the Bill is the only vehicle available for hon. Members who want this great constitutional issue to be addressed. I look forward to hearing the Minister's replies to my questions but, for the time being, I commend the Bill to the House.

11.19 am

Thomas Docherty: I am grateful to have caught your eye on Third Reading, Mr Deputy Speaker, and I commend the hon. Member for West Worcestershire (Harriett Baldwin) on having her Bill reach this stage. I suspect that if her colleagues in the Government had expected it to get this far, they might have taken an interest in publishing the commission paper slightly earlier than yesterday afternoon, but as a mere Opposition MP, I cannot comment on the exact machinations that led the Deputy Prime Minister suddenly—yesterday afternoon, on the eve of this debate—to publish his West Lothian commission paper, which we will return to.

I am a sceptic, not about why the Bill was brought forward, or about the motivation of the hon. Member for West Worcestershire, but about the motivations of many of her colleagues, who are, frankly, in my view, just really bad losers. Since the mid-1950s, the vote of what is currently called the Conservative party in Scotland has collapsed. It is worth noting that if Mr Murdo Fraser MSP gets his way, there genuinely will be no Scottish Conservative politicians in Scotland. The hon. Member for Perth and North Perthshire (Pete Wishart) and I were just reminiscing, because we served our parties, alongside Mr Fraser, in North Tayside, as it was then called, in 2001. Murdo has been consistent in his views about an effectively autonomous Scottish Conservative party.

The whole debate comes back to the fact that the Conservatives could not win a raffle in Scotland. As a result of the way in which their policies have gone down, and because they opposed devolution in 1997—and probably right through until about 2007 or 2008—they have lost the support of the Scottish people. Unfortunately for the Conservative party, which claims to be staunchly Unionist, and a staunch defender of the United Kingdom and its parliamentary system, it does not like the fact that one part of the United Kingdom consistently votes against it. It is worth noting the work of the hon. Member for Aberconwy (Guto Bebb)—I congratulate him on it—in helping to rebuild the Welsh Conservative party. *[Interruption.]* Sorry, there are two Welsh Conservative MPs here. As a Scottish MP, the concept of there being two Conservatives from a devolved Administration area is baffling. In fact, I think that there are eight now.

Mark Lazarowicz: My hon. Friend is being unfair; at least one of the hon. Gentlemen on the Conservative Benches has helped to revive two parties in Wales in his political activities. On the point about the Scottish Conservative party, is not the interesting point about the logic of the Bill of the hon. Member for West Worcestershire (Harriett Baldwin) that she appears to be saying that a measure should not really apply to a part of the UK if it does not have majority support in that part of the UK? What about the Budget, for example? Does that mean that the UK Budget would not apply in Scotland unless the majority of Scottish MPs decided it would, and would the same go in Wales and Northern Ireland?

Thomas Docherty: My hon. Friend makes an important point, and I suspect that Mr Fraser would like to have that debate. The hon. Member for Perth and North Perthshire is a sensible man—on occasion he is a Dunfermline Athletic fan, and he played in a half-decent band, so he has occasional good judgment—but I disagree with him and Mr Fraser, because Scottish Conservatives, as such, now believe in full fiscal autonomy, it would appear. My hon. Friend the Member for Edinburgh North and Leith (Mark Lazarowicz) is absolutely right: under that proposal, there would be separate Budgets from the Chancellor for those measures that apply to Scotland only, and those that apply to the rest of the United Kingdom.

The hon. Member for West Worcestershire talked about her great desire, which I think is genuine, to have decisions made at the lowest level of government. I notice—I went out and checked—that in proceedings on the Scotland Bill, she voted not to devolve power over the railways to the Scottish Parliament; that did not quite seem to fit with her logic. I suspect that there are several other cases where Conservatives claim to believe in giving greater power to Scotland, but in proceedings on the Scotland Bill have voted against doing that. I am sure that that was simply an oversight on her part, and not an inconsistency in approach.

Lots of Bills that pass through this House, or begin up the other end of the Corridor, appear on the face of it to be England-only, or England-and-Wales-only, but have clauses inserted by the Government—or have Back Benchers on either side of the House, or our Front Benchers, attempt to insert a clause—that would apply to the whole United Kingdom. I shall give one simple example. The rules for election to the Scottish Parliament are set by this place. We determine the boundaries, and the age at which people can vote in those elections. That is clearly a matter that affects only Scotland. I cannot possibly see how that would be anything other than a matter for the Scottish people; I would be grateful if hon. Members could point out a flaw in that thinking. However, as that is part of the Scotland Bill, I think that the argument of the hon. Member for West Worcestershire would still be that she, an English MP, would vote on the Scotland Bill, and on each part and clause of it, because the Bill would have been categorised by the Secretary of State as a Bill that impacts on multiple territories. I regret to tell the hon. Lady that that inconsistency means that her Bill is not perfectly formed.

Mr Leigh: The hon. Gentleman asked Members to intervene; I will, and I am prepared to concede that I should not be allowed to vote on the Scottish Bill, or on anything to do with Scotland, if he will concede never to vote on anything to do exclusively with England.

Thomas Docherty: I am sorry to disappoint the hon. Gentleman, but I do not believe in that logic. I believe in the United Kingdom. I hear repeatedly from Government

[Thomas Docherty]

parties, "I believe in the United Kingdom". Unlike the hon. Member for Perth and North Perthshire, who is a proud separatist and supporter of independence, I believe that we are stronger together. Under our system, we are elected to the Parliament of the United Kingdom. If the Government parties wish to create an English Parliament or Assembly—I am not a supporter of regional assemblies, and I welcome the decision of the people of north-east England overwhelmingly to reject a regional assembly—they should bring forward that legislation. That is not what they told people at the election.

Guto Bebb: I would be grateful if the hon. Gentleman talked to his colleagues in the Welsh Labour party who described the Secretary of State for Wales as a colonial governor-general. Clearly, the Welsh Labour party's commitment to the Union is not as strong as his.

Thomas Docherty: As you know, Mr Deputy Speaker, I am studying for a history degree from the Open university, and the course that I have just finished is about colonial medicine. I have to say to the hon. Member for Aberconwy that some of the policies for the health service that the Secretary of State for Wales wishes to introduce very much remind me of colonial medicine in the 19th century. Perhaps that is what my colleagues in the Welsh Labour party were referring to.

We have an imperfect system, and I do not think that anybody believes that the system that we have created is the finished product. It was never intended, in the 1990s, to be the finished system. The hon. Member for West Worcestershire was frank enough to say that she does not necessarily provide answers to the problem; she has merely sought to pose questions today.

It might be helpful to many Conservative Members if I explain that West Lothian is a part of Scotland just outside Edinburgh. If they had been here for the excellent maiden speech of my hon. Friend the Member for Livingston (Graeme Morrice), they would have heard a good account of the large section of it that he represents. I am conscious that many Conservative Members have never had the opportunity to come to Scotland; they really should, if they get the chance, come up and see it. We are hosting some of the Olympic games next year.

On the West Lothian commission that is to be established, will the Minister undertake that the commission will also look at arrangements in the other place—an issue that the hon. Member for West Worcestershire touched on? I would be fascinated to learn how the Government intend to designate Scottish, Welsh or English peers. The most obvious example is the Leader of the House of Lords, Lord Strathclyde; I am not particularly aware that he has a Scottish connection of note.

Pete Wishart: We have no absolutely no ambition to repatriate the likes of Lord Foulkes and Lord Forsyth.

Thomas Docherty: I suspect that we might provide the hon. Gentleman with a list of some of the peers whom we would like to repatriate. I would not suggest for a second that any of my colleagues would be on that list.

Does the House believe that if someone who represented a Scottish constituency went to the other place they would be a Scottish Member of Parliament? Are they Scottish because their title is Scottish? Is it because they once visited Gretna Green, which I think is the qualification of some people who have served in the Scotland Office? Those issues need to be dealt with by the West Lothian commission, in addition to the matters raised by the hon. Member for West Worcestershire.

The most obvious issue that we need to deal with concerns Ministers. Going back to the point made by the hon. Member for Aberconwy—and I am not too familiar with the thinking of my Welsh Labour colleagues on this—as the result, I believe, of an oversight at the election, the right hon. Member for Chesham and Amersham (Mrs Gillan) did not stand for a Welsh constituency; she represents an English constituency. The Prime Minister has eight very able Welsh Conservative MPs from whom to choose a Welsh Secretary—*[Interruption]*—and some Liberal Democrat MPs as well. However, we have an England-based Secretary of State.

Guto Bebb: The thinking of the Labour party in Wales seems to be that it is perfectly fine for Welsh Labour Members to be Ministers and make decisions that affect England, but that it is not acceptable for the Prime Minister to appoint an English MP to serve in Wales. It is that dual standard that annoys people. Ultimately, we have to deal with the issue, because the threat to the Union will come not from Wales but from disgruntled members of the electorate in England. That is the issue that we must face.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am sure that an occasional mention of the Bill would be helpful to everyone.

Thomas Docherty: You are absolutely right, Mr Deputy Speaker. An issue that has not quite been covered in the Third Reading of the Legislation (Territorial Extent) Bill is the question of what is in the minds of members of the Welsh Labour party. It is not for me to comment—that is one of the benefits of devolution—but it is valid to ask what would happen if a Secretary of State signed off a Bill but effectively said, "This is my Bill; I am not going to vote for it." In December, as the Liberal Democrats raced through the 17 different positions that they tried to adopt on tuition fees, at one point there was a suggestion that the Secretary of State for Business, Innovation and Skills would not vote on his own legislation, which would have been completely absurd. Under the Bill—and this is an issue that the commission must address—we must consider what would happen if, as we have seen in the past, a Secretary of State introduces legislation in which they do not have any constituency interest within the four nations of the United Kingdom, never mind the question of how we define England.

I must challenge the hon. Member for West Worcestershire on what she said about understanding England. As hon. Members can tell from my accent, I did not have the privilege of a Scottish education. I was brought up in west Cumbria, and I can assure the hon. Lady that the people of west Cumbria do not believe that she understands their problems or what is best for them. I am pretty sure that my hon. Friend the Member for Blaydon (Mr Anderson) would suggest that the Conservative party does not have a Scooby about the issues in the north-east of England.

I am pretty sure, Mr Deputy Speaker—of course, you are entirely impartial—that other constituencies in the north of England would suggest that Conservatives do not understand them. Equally, I have heard Government Members suggest that the Labour party does not understand parts of their country. The notion that we have a single, homogenous England in all its pleasant greenness with a perfect political structure is wrong. Regrettably, that goes back to the argument about regional assemblies.

In the past few days, we have dealt with infrastructure projects. My right hon. Friend the Member for East Ham (Stephen Timms) and others have discussed the Olympics, and we have discussed Crossrail in the past. The Crossrail Bill contained many provisions that related purely to London and nearby railway lines, yet it underwent a contentious, long, laborious process. It took two years, I think, to introduce that Bill, with the support of Members from Worcestershire, Dunfermline, Berwick, Edinburgh and other areas. That was the right thing to do but, regrettably, under the Legislation (Territorial Extent) Bill—and I suspect that this will be something that the commission will examine—such issues would not be dealt with. If there is a proposal to bulldoze large parts of London, the decision on whether that is right or wrong should, under the logic of the argument that the hon. Lady and other hon. Members have sought to generate, be made by London MPs.

Mark Lazarowicz: My recollection is that most members of the Committee that considered the Crossrail Bill were from Scotland. I think that we were being punished by the Whips for an earlier rebellion. The Crossrail issue may have been a concern for London MPs, but it was important for the entire UK, and not just because of the costs. People can fly to Heathrow or take a train to King's Cross, where they may wish to travel on to France: those issues were integral to the Crossrail proposals, and are very much an illustration of why we cannot introduce measures that appear to be just English and then find that they go much wider than people may accept.

Thomas Docherty: My hon. Friend, as ever, makes a compelling argument. Indeed, as an ex-lawyer he does so much better than I ever could.

It is all about interpretation. Many people in London with strong feelings about the Crossrail Bill would have said that it had nothing to do with Members from other parts of the United Kingdom. It is, to some extent, in the eye of the beholder.

Turning to the suggestion of the hon. Member for West Worcestershire about the Secretary of State, she is a rational and reasonable individual and is a supporter of the Speaker, but it is possible that some of her colleagues are not so rational or have swivel eyes and are anti-Speaker. The measure is not designed to help the Speaker: it is about fixing the board for the game. Surely, it is in a Secretary of State's interest, one way or the other, to determine for the benefit of their own party or of the coalition whether or not MPs of other nations should be allowed to vote.

Mr Leigh: Let us concede that it is not the Secretary of State who should decide those things but the Speaker. Presumably the hon. Gentleman would accept that the Speaker would make that determination.

Thomas Docherty: If we are to have such a system—and there has been some discussion of Standing Order No. 97—that is indeed what happens. That is the point that the hon. Member for Bedfordshire—

Oliver Heald: My constituency is in Hertfordshire.

Thomas Docherty: I apologise. It just goes to show the benefits of living in a United Kingdom; otherwise I would not be learning that geography lesson.

Under that rule, the Speaker makes the decision. You would, Mr Deputy Speaker, pull me up if I followed the example of my hon. Friend the Member for Rhondda (Chris Bryant) and gave seven centuries' worth of history on the role of the Speaker and how it has changed—and, indeed, the excellent role of the Chairman of Ways and Means and how it has changed in the past 700 years. The Speaker's role is to be an impartial judge. To give a simple example, let us say for the sake of argument that Mr Murdo Fraser becomes leader of this new party. If he wants a name for a party that supports the Conservatives at that level, that backs Tory policies but is not officially Tory, I must counsel him that the title "Liberal Democrats" has already been taken, so he will have to think of another one. If Mr Fraser's new party were to win 27 of the 51 or 52 seats that there will be in Scotland at the next general election, but thanks to the work of my right hon. Friend the Member for Doncaster North (Edward Miliband), we were to sweep to power at the next general election, it might well be possible—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am sure the hon. Gentleman wants to come back to the Bill and mention that a little more. We are drifting all round the country from Doncaster to the history of the Chairman of Ways and Means. I can assure him that the post is not 700 years old, but we do not want to get into a debate like that, do we? We want to stick to Third Reading, as I know the hon. Gentleman is now going to do.

Thomas Docherty: If I had been able to finish the sentence, I was about to say—

Mr Deputy Speaker: Order. The hon. Gentleman should not tempt me. I do not need to wait for the last sentence. I was listening to the previous 20 sentences, which also led me to believe that the hon. Gentleman had gone off the Bill.

Thomas Docherty: I am grateful, Mr Deputy Speaker, for your kind words, as ever.

Under the powers in the Bill, it is possible that one of my right hon. Friends, as Secretary of State for Education, might seek to exclude the 26 or 27 Scottish progressives or whatever they are called from legislation in order to get a majority. It is possible that the reverse might be true. There are Bills or parts of Bills that apply to Scotland, Northern Ireland or Wales, where the current Government—not under the leadership of the Minister or his colleagues, but under some other Secretary of State—might seek to use this Bill to exclude Members unfairly in order to get legislation through. That is why the idea that, under the Bill, the Secretary of State should be the person who decides which pieces of legislation are English only, Welsh only or English and Welsh only is both ludicrous and loaded.

[Thomas Docherty]

It is disappointing that the Bill does not seek to answer the question how Select Committees or oral questions will work. It is reasonable for Government Members to take a great interest in Scottish questions. We are always touched by the number of Conservatives who table questions relating to Scotland, but the Bill does not seek to deal with the fact that English MPs are scrutinising—

Mr Deputy Speaker: Order. As hon. Members know, the Bill is not about questions. It is about legislation, and we will stick to speaking about legislation on Third Reading.

Thomas Docherty: I am grateful, Mr Deputy Speaker. Obviously, when at Question Time we are debating proposed Government legislation, it will still be perfectly in order, as I understand it, for Members on both sides of the House to challenge the Secretary of State about that, even if it does not cover their territories. The same is true of Select Committees, which do an excellent job of examining legislation as it is going through. I have the privilege of serving on the Environment, Food and Rural Affairs Committee, which is an interesting Committee not only because of the policy matter, but because some of that applies to the whole United Kingdom and some to devolved areas, such as Scotland. The lines are blurred.

We have been having a big debate about the future of fisheries policy and the common agricultural policy. That will require legislation in future. I know, for example, that some Members on both sides are in favour of pulling out of the common fisheries policy. I will not be drawn into that argument, but the Select Committee will clearly consider the issue. Does that apply to Scotland, to England or to the United Kingdom as a whole? I do not see how the Bill, as well meaning as the hon. Member for West Worcestershire intended it to be, deals with how we can still scrutinise matters through Select Committees and put together reports that could be fairly damning, but not carry out similar scrutiny on the Floor of the House.

The Bill could have another effect which I am sure was never intended. It is my understanding that if a major piece of legislation falls in this place, that is regarded historically as a vote of no confidence in the Government. There is a perfectly reasonable suggestion to be made that as a result of this Bill, a health Bill, for example, which was a substantive piece of legislation and did not command the support of the membership of the party in England, could be defeated. Would that therefore automatically be seen as the trigger for a no confidence motion? That has not been dealt with adequately in the Bill. I hope the Minister will give us some guidance on his thinking and whether the West Lothian question could tackle the issue.

Mr Harper: Let me respond to that invitation. As the hon. Gentleman knows, the excellent Fixed-term Parliaments Bill, which despite the Opposition's support for in principle, they seem inadvertently to be opposing, sets out the procedures for no confidence motions and motions of confidence in the House, so my hon. Friend the Member for West Worcestershire has been spared the need to do that in her Bill.

Thomas Docherty: I am grateful. I know that there is a Fixed-term Parliaments Bill somewhere, but I do not think it is excellent. I would be well out of line if I were to be drawn down that road.

Another issue that has not been dealt with is where the Legislation (Territorial Extent) Bill would leave the Parliament Acts. If we do not solve the issue of the Lords and how we define an English-only Lord, Bills could be significantly delayed because they cannot command a majority in the other place, even though they do in this place. I will not get sucked into a debate about House of Lords reform, as I would be out of order, but if we allow the Bill to go forward without addressing the issue of the House of Lords, we could have a House of Lords that reflects the UK electoral results, but not the lower House. Ping-pong would inevitably occur. I would be grateful if the Minister set out how the commission will address that and whether he believes that the Bill deals adequately with the issue.

The final question that I shall bring to the attention of the House in the hope that the Minister can provide guidance is what will happen with respect to consultation with outside parties. Representations might be made by devolved Administrations that a future Bill impacts on them. If a Secretary of State picks a narrow definition and says, "No, this applies only to me," but the three First Ministers all say, "No, we can see a compelling case," who would have the final say? Would it be the Secretary of State? Does the Minister agree that that issue needs to be worked through as part of the West Lothian question?

I am grateful for your patience, Mr Deputy Speaker, and for your guidance, as ever. I shall now sit down, as I know the Minister has some thoughts to share as well.

11.48 am

Oliver Heald: The hon. Member for Dunfermline and West Fife (Thomas Docherty) made an engaging speech, but he did not let the facts get in the way of his argument. I felt a bit sorry for Lord Strathclyde, because he lives in Scotland and is Scottish, so to be described as having no connection with the country will have been a bitter blow. Equally, it was slightly unfair on the rest of us to be told that we knew nothing about Cumbria or Scotland, given that some of us love walking in the lakes and visit Scotland regularly. But there we go!

I was struck by something else that the hon. Gentleman said. He spoke as though the Conservative party invented the West Lothian question—as though it was a sort of Conservative plot. In truth, of course, the question was posed by a Scottish Labour MP, the former Father of the House, Tam Dalyell. He was the one who asked whether it could be right for Scottish Members to vote on English legislation, when they had no right to do so on Scottish legislation and English Members did not have that right either. Following his speeches during the debates on the Scotland Act 1998, Conservative Members, including Michael Ancram, my right hon. Friend the Member for North Somerset (Dr Fox), now the Secretary of State for Defence, and I came up with the policy of English votes for English laws to address the West Lothian question. Since then, the Conservative party has had a great deal of work done on the question—the democracy taskforce has been mentioned—and has come to the conclusion that something could be done to address the problem.

The democracy taskforce looked at the Standing Orders of the House. For many years, Standing Order No. 97 has been used for these purposes for Scottish legislation. It is not right to suggest, as the hon. Member for Dunfermline and West Fife did, that these Standing Orders would always be used in a hostile, unco-operative way. The fact is that we do have a book of Standing Orders, the House does operate by them and largely there is a consensual approach, through the usual channels, that ensures that we can do our business. I do not think therefore that he ought to be suspicious that, just because we would introduce a new Standing Order, suddenly the history and traditions of the House would change and we would use the procedures to be hostile to each other. Over the years, each of the great parties has been in government and opposition, and were one party to start behaving as though the Standing Orders were a battleground and try to "get" the other party, it would reap the whirlwind in due course. We rely on being able to do our business in a consensual way and the usual channels co-operate well, so I do not think that he should be so suspicious.

To deal with English legislation, we would simply need to add to Standing Order No. 97, in line 3, page 91 of our Standing Orders, the words "or England", make the necessary consequential amendment and set up an English Grand Committee.

Thomas Docherty: The hon. Gentleman makes a compelling argument, but unfortunately that is not what the Bill does; it makes the Secretary of State responsible for determining the matter, not the Speaker.

Oliver Heald: That brings me to my next point. The Standing Order is not written in such a way as to disadvantage one party or another or to be used in a hostile way. It is drafted, and has been in our Standing Orders for many years, in a way that has a bit of common sense. It provides that if there are consequential amendments affecting England, Wales or Northern Ireland, the certificate can be withheld—but it does not have to be. The Speaker has some discretion. Equally, it is not compulsory under this particular Standing Order for a Bill certified as entirely Scottish to be dealt with by the Scottish Grand Committee—it is discretionary. If the usual channels discussed the matter and decided, "No, this ought to be dealt with by the whole House", that could happen. We are not as daft as the hon. Gentleman thinks. We would not have Standing Orders so rigid that they could not work and could be used as a tool of war. We have sensible Standing Orders, we are sensible people when it comes to procedure, and I think that the House would be quite capable of dealing with this matter.

I welcome the fact that the Minister is setting up his commission and I welcome the Bill presented by my hon. Friend the Member for West Worcestershire (Harriett Baldwin). It would give a little more room for manoeuvre over controversial measures or measures on the margins of territoriality. With her measure in place, instead of a Bill simply being printed and the Speaker deciding whether to issue a certificate, there would be pre-legislative scrutiny. The Bill would be produced; it would go through its pre-legislative scrutiny; and it would contain a statement by the Secretary of State on his view of the territoriality, the financial aspects and so on. That would give us even more opportunity to ensure that our Standing Orders are not used in a foolish way.

Mr Leigh: As usual, my hon. Friend gives a very erudite speech. In all the chaff that came from the mouth of the hon. Member for Dunfermline and West Fife (Thomas Docherty), however, there was a grain of truth. I must put this to my hon. Friend, because he is one of our leading experts on the matter. If the current system works quite well and if, as we know, we can rely on the Speaker for his impartiality, need we add anything to the process? Need we add the Secretary of State? I make that point because it is important that we debate these matters seriously.

Oliver Heald: My hon. Friend has taken a great interest in the issue over many years and has great knowledge of constitutional matters. He makes a fair point, and I agree that the proposal may not be necessary. It may be an added extra that introduces complexities in a way that does not help as much as we think. However, that is one of the blessings of the commission, in that it will be able to look at that point—speedily, I hope—and come to a conclusion. It is important that serving on the commission are people who can bring experience and knowledge on this topic. I hope that it will be possible for the Clerk and the senior officials of the House to submit evidence to the commission or to take part in its proceedings, so that expert knowledge is brought to bear on this important point.

Finally, there has been a lot of talk about how if we had English votes for English laws, there would be two sorts of MPs. That is nonsense. When the Scotland provisions were used, nobody ever said that there were two classes of MP; indeed, one could argue that there are two classes of MP at the moment, in the sense that Scottish Members cannot deal with matters that affect their own back yard. The argument is nonsense. We are all elected on the same basis and we have Standing Orders to deal with matters. We have previously had a Scottish procedure; why can we not have an English one?

11.56 am

Pete Wishart: Let me start by again congratulating the hon. Member for West Worcestershire (Harriett Baldwin) on progressing so far with her private Member's Bill. She has almost single-handedly—or at least more than anyone else—ensured that we will have a long-promised investigation into the West Lothian question by a commission.

Unfortunately I missed the Bill's Second Reading, but I have spoken in most debates in this House on what is referred to as the West Lothian question. In fact, I have debated it at length with the former Member for West Lothian himself. Indeed, I heard what can only be described as the curmudgeonly tones of Tam Dalyell on the radio yesterday, with his usual doom and gloom about how one could never answer the West Lothian question. I do not think that he sees much hope for the Minister's commission when we eventually see its work, and that has been his view pretty consistently over the past few years. I have a relatively neat and elegant solution to the West Lothian question: let this Parliament do its business and let our Parliament do its business. Let us come together in a new sense of equality and mutual self-respect. Let us redefine our partnership among the nations of the United Kingdom. In one fell swoop we will have elegantly dealt with all the issues to do with the West Lothian question.

Mr Harper: Part of the reason I suggested that we should think of different terms is that the hon. Gentleman has been led down a cul-de-sac. The scenario that he paints is of an independent Scotland. The Government, Government Members and many Members on the Opposition Benches passionately oppose that, as we want to keep the United Kingdom together, but let us say for the sake of argument that it came about. It might solve the West Lothian question, but it would not solve the issue, because it is not a Scottish issue; it is about how we govern England and the relationship between all the devolved nations. This is just as much about Welsh Members of Parliament and Members from Northern Ireland as it is about those from Scotland or England. The nomenclature has led the hon. Gentleman down a cul-de-sac.

Pete Wishart: I am grateful to the Minister for that. All I can say is: thank goodness that will not be my problem at that point. We will most definitely have dealt with the West Lothian question, because there will no longer be a Member for West Lothian in this House who has a say on English health and education. My solution resolves that one, but I shall leave the Minister in the future—when we manage to secure Scottish independence—to try to resolve those other issues on his own.

As things stand, no Scottish National party Member votes on English-only legislation. We have not done so since 1999, when the Scottish Parliament was established. We are now the only party that does not vote on English-only legislation, because for some bizarre reason the Scottish Conservatives have abandoned that policy. When he was in opposition, the right hon. Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell) did not vote on English-only legislation, but the minute the Conservatives got into government he started voting on everything; in fact, I think he has voted on every piece of legislation in this Session that might be certified as English-only. So before the Conservatives go on and on about voting on English-only issues, they should have a quiet word with their one and only Scottish Member, because I do not think that he is setting a particularly good example.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): Perhaps the hon. Gentleman will correct me, but I recall that, during the coalition negotiations, there was a suggestion that there might be an alternative coalition including some Members from the Scottish National party, and that his leader in the Westminster group said that they would start to vote on English-only legislation.

Pete Wishart: The hon. Gentleman has a better memory than I have, because I cannot recall any such thing being said. I would find it absolutely staggering if we were to take a view on those kinds of issues. The point is that we are the only party in this House that does not vote on English-only legislation. Why do we not do so? I take what I thought was an uncontroversial view on this: if it does not affect my constituents, it is not a matter for me as a Member of Parliament. Surely we are here to represent our constituents. If a piece of legislation has nothing whatever to do with the good people of Perth and North Perthshire, why should I take an interest in it? That is the way in which we should approach these issues when deciding this matter.

Thomas Docherty: I think that the hon. Gentleman must have misspoken, because he just said that he would vote only on issues that affect Perth and North Perthshire. Does that mean that he would not vote on an issue that affected the Western Isles?

Pete Wishart: This is the kind of nonsense that we get from opponents of the West Lothian question. The logic of the argument seems to be that the Scottish Parliament should not vote on issues affecting only the Western Isles or the highlands of Scotland. In case he does not know, this is about legislatures, about responsibility and about democratic accountability. We have a Scottish Parliament, thank goodness, and we have a Westminster Parliament down here. He takes the view that he should vote on English-only issues. I take the view that it is wrong for me to do so as they do not affect my constituents, which is why I do not do so.

Mr Harper: This is to do with language. When colleagues refer to "England-only" measures, they are not really talking about matters that affect only England; they are talking about matters for which the responsibility has been devolved to one of the other legislatures. I think that that answers the question; the hon. Member for Perth and North Perthshire (Pete Wishart) is forswearing to vote on matters that have been devolved.

Pete Wishart: I thank the Minister for getting that absolutely right; I should always get him to answer my questions for me.

Thomas Docherty: Will the hon. Gentleman give way?

Pete Wishart: I want to make some progress, if I may, and I think that we have probably dealt with that particular issue.

The Scottish National party did not take an interest in the Health and Social Care Bill that was debated here this week, although there were technical and consequential measures in the Bill that were to do with Scotland. Those measures, however, were dealt with by the Scottish Parliament. A legislative consent motion was passed in that Parliament that agreed to allow this House to legislate in that way, so why any Scottish Member should need to vote on that Bill, I do not know. If English Members want to destroy their health service through this part-privatisation, that is a matter for them. I can only say thank goodness that we have an SNP Government in Scotland who will not embark on that kind of nonsense and who will never adopt such a rubbishy part-privatisation approach to the health service there. The Health and Social Care Bill is a matter for English Members. That illustrates the beauty of Tam's question, posed all those years ago in all its rhetorical glory. Would I like English Members of Parliament trying to impose their view in Scotland? Of course I would not. Scottish Members should therefore give English Members the same respect when it comes to English decisions, however faulty or ridiculous they might be. If English Members want to do that to their health service, that is up to them.

Thomas Docherty: This is a passionate and compelling speech; it is almost bringing tears to my eyes. However, the hon. Gentleman voted on the Bill that introduced tuition fees in England. As the Minister said, the Scottish

Parliament now has powers over such matters, so the hon. Member for Perth and North Perthshire (Pete Wishart), by his own logic, should not have voted on that Bill. Was it not political opportunism, rather than some great principle, that led him to do so?

Pete Wishart: That is a very good point, and I am glad that the hon. Gentleman has mentioned it. I shall deal with tuition fees at greater length in a moment, because they relate to my concerns about the Bill and the Minister's proposed commission. If the hon. Member for Dunfermline and West Fife (Thomas Docherty) will bear with me, I will come back to that point, and if he is unhappy with what I have to say, I will allow him to intervene on me again.

Because of our track record on this matter, we very much welcome the establishment of the commission. This issue really needs to be resolved. Tam asked the question 33 years ago, and it is now time to address it. We proposed something very similar to the hon. Lady's proposal several years ago, when we suggested that Standing Order No. 97 should be extended to cover the certification of certain Bills as English-only. At that time, there was a Labour majority that had a lot to gain from Scottish Members voting on English-only legislation, so our proposal was rejected. Now we have a Conservative Government who have most to gain from Scottish Members not voting and from pushing through the measure to try to resolve the issue. I do not care about the political interests of the Labour and Conservative parties; I want us to approach the matter with a sense of equality and decent fairness—I think that Government Members would treat us in the same way—and to do the right thing for Scotland, for England and for the other nations of the UK. I therefore support setting up the commission. I would like to ask the Minister some questions about it, but, in principle, it is welcome.

During the course of the commission's work, we will again hear all the nonsense that I have heard for 10 years—all the red herrings and the reasons for not acting. We all accept that there is no elegant answer to the West Lothian question while we are part of the Union. There will always be anomalies and further questions—that is the nature of trying to resolve a difficult conundrum when there are devolved legislatures and a sovereign Parliament at Westminster. I have my answer—hon. Members have heard it—but as long as we are part of the Union, there will be anomalies. We will hear all the stuff about two classes of MPs, the sob story about Scottish Members not getting to be Ministers for devolved matters such as health and education, and the suggestion that English Members should not vote on Scottish-only issues such as the Scotland Bill. Those are all red herrings and nonsense—simply obstacles put in the way of dealing with the issue effectively.

I concede that there are already two classes of Members of Parliament. I am a Scottish Member and a good section of what English Members do in the House is devolved to my colleagues in the Scottish Parliament. That immediately sets me apart from English Members. For goodness' sake, we should just be relaxed about it. Let us accept that we are two classes. All we are doing is simply trying to recalibrate the different types of classes by not allowing Scottish Members to vote on English-only matters. We should simply accept that there are two classes of Members and get on with it.

However, there are problems and concerns for us in the Bill. They mostly come down to certification of what is Scottish-only business. Tuition fees is a very good example because it shows why we have to be careful. There must be a Scottish input into the commission, perhaps from someone who knows about the workings of the legislatures throughout the United Kingdom—for example, former Presiding Officers. There should be good contacts with the Scottish Government, who could alert the commission, or whoever examines the matter, of genuine difficulties and consequences for Scotland. The Bill fails in that respect because it provides only for Secretaries of State to advise the Speaker about certification of the territorial impact of legislation. Perhaps an amendment could be tabled in the other place that would allow the Secretary of State to consult his or her opposite numbers in the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly to ensure that those legislatures are relaxed and happy about the territorial certification of specific measures.

Tuition fees sum up the difficulty for me, and for us all. Tuition fees are nominally English. Under the certification that the Minister and the hon. Member for West Worcestershire have in mind, the Speaker would almost certainly have said that the measure was English only. Yet it was an absolute disaster for Scotland. It was the worst possible type of legislation for us and we therefore voted on tuition fees—I think that all Scottish Members did. I voted on it because the Barnett consequentials were enormous. Scotland will lose a fantastic amount of money if England goes ahead with tuition fees. The measure also opened up a funding gap between Scottish and English universities. That would have been fine if we were independent—it would be our business and up to us to get on with it. However, as a devolved nation, we do not have any other economic tools to help us deal with those sudden issues. We are left with our fixed budget. It is therefore right that, as long as we are part of the Union, we express our concerns about what might be considered English-only legislation.

If we reach a solution, I hope that there will be consultation with the Scottish Government to find out whether there are huge issues for Scotland, which we have to tackle as long as we are part of the Union. I was grateful to the hon. Lady for saying that financial aspects would be included in any future draft of such a Bill. It is imperative that they are included.

I believe that the job of we Scottish Members is to ensure that the Scottish interest is represented, and that nothing is done that would have a detrimental impact on our constituents. That is why we all voted on the issue of tuition fees, and I think that we were right to do so. However, there are other Bills that do not have the same impact on Scotland. We should leave them well alone, and I believe that we will continue to do so for as long as we consider them at Westminster.

Thomas Docherty: The hon. Gentleman is advancing a relatively cogent argument. Does he agree that the Secretary of State is the wrong person to make the judgment specified in the Bill?

Pete Wishart: I do not care who eventually makes the decision. I am quite happy for it to be the Speaker. The only issue that concerns me is the need for consultation

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with the Scottish Government. They must be able to say that they are comfortable and relaxed about the fact that legislation applies only to England. The House must recognise instances in which legislation will have knock-on effects on the Scottish Parliament. The tuition fees legislation in particular was disastrous for Scotland: we had to deal with a number of unforeseen consequences because of issues in England.

I welcome what has happened, and I congratulate the Government on eventually doing something about this problem. The hon. Lady has led them by the nose. I do not know whether it is the Liberal Democrats who have been blocking such action, but they are just about the worst offenders in this regard. Their number is massively inflated in relation to their share of the vote in Scotland, but they come down here and consistently vote on England-only issues. As well as having a quiet word with their one Scottish Member about voting on England-only issues, the Conservatives should have a quiet word with their coalition partners, because, as I have said, they are just about the worst offenders.

As we proceed, we should ensure that we consult and involve people who deserve respect because they have done the groundwork that was required for the establishment of our Parliament and Assemblies in Scotland. We are getting closer to Tam's answer. I have presented my solution, and thankfully the Scottish people see it as a solution as well. For the first time in three years, support for independence in Scotland is now in the majority. We are approaching the point at which the Scottish people will have an opportunity to decide on the future of Scotland, and about whether we should come to this place at all. I believe that we are about to experience one of the most incredible defining moment in Scottish history, when they say yes and the hon. Members for Edinburgh North and Leith (Mark Lazarowicz), for Dunfermline and West Fife, for Rutherglen and Hamilton West (Tom Greatrex) and for Motherwell and Wishaw (Mr Roy) will no longer come down here to vote on English issues. I cannot wait for that day to come.

12.12 pm

Iain Stewart: It is always a pleasure to follow the hon. Member for Perth and North Perthshire (Pete Wishart), and I accept much of what he said. I do not often agree with the Scottish National party, but I agree with him that his party has a neat solution at least to the Scottish dimension of the West Lothian question, namely that Scotland should become separate from the rest of the United Kingdom.

I will not be tempted into a debate on the merits or otherwise of separation; suffice it to say that I completely oppose it. I am a proud Unionist, and I will do all that I can to prevent it from happening. However, the Union is under threat. That is why the Bill is so important, and I congratulate my hon. Friend the Member for West Worcestershire (Harriett Baldwin) on presenting it. The Scottish nationalists secured an overall majority in the election in May, giving the lie somewhat to Labour's assertion in the devolution debate that devolution had killed nationalism stone dead. In fact, nationalism is in rude health, and if we are not careful, we will be going down the road of separation.

Part of the problem lies not in Scotland, but in England. I have the advantage of being a Scot representing an English constituency, and a fair number of constituents complain to me about the fact that certain matters affecting only England can be determined by Members from Scotland. I am not suggesting that we have reached a crisis point, but bit by bit the resentment is growing. If we do nothing and let it lie unchecked, at some point in the future we will find ourselves in very difficult constitutional waters, and the Union will be threatened.

Mr Harper: My hon. Friend demonstrates something. It is sometimes said by those in the House that only Conservative Members are concerned about the issue, but the reason they are concerned is that our constituents are concerned. We do get a significant number of letters about the matter. I do in relation to a range of issues, including tuition fees, and decisions that are made. If we do not deal with the matter, we will have a problem. My hon. Friend has made an important point.

Iain Stewart: I am grateful to my hon. Friend for making that point. It is important that we address these points when we are in relatively calm waters. There is not an impending crisis, so we can take some time to consider the matter carefully. I welcome the announcement yesterday of the commission. I await with interest the answers to the pertinent questions that my hon. Friend the Member for West Worcestershire asked about the composition, remit and time scale of that commission. It is right that it should take its time and examine carefully the complex issues that it will deal with, but I sound a slight warning note: that should not be an excuse to kick the issue into the long grass and so far into the future that it never reaches a conclusion. I would like to see a specific timetable showing when the commission will report and we can take matters forward because, as I say, doing nothing will stoke up big problems.

We have heard from several Labour Members their objections to the Bill and to other possible solutions to the West Lothian question, but we hear absolutely nothing about what their solution would be.

Thomas Docherty: I am very clear. I hope that what comes out of this is some proposal to put to the people. It is bizarre that the one proposal that has not been mentioned is to ask the people what they think. We should put in a referendum a proposal to them about how to resolve the issue. It has to be through some assembly, so that we do not deal through the back door with all the issues that I and the hon. Member for West Worcestershire (Harriett Baldwin) have been raising with the Minister.

Iain Stewart: I am rather puzzled by the hon. Gentleman's comments. I am not clear whether he wants a separate referendum from an independence referendum or an English Parliament. Is that what he is suggesting?

Thomas Docherty: I am suggesting that there be a constitutional convention, as there was in Scotland, at the end of which a proposal is put to the people of England about the legislative system that they want.

Iain Stewart: It is an intriguing suggestion and I invite the hon. Gentleman to submit that idea to the commission. I am not sure whether he speaks for the

Labour Front-Bench team on that proposal. Perhaps a promotion is in order, but my key point is that doing nothing is not an option and we have to address the issue. I agree that we should not create a separate class of Member in the House and start banning certain Members from debating or voting on specific measures. Whether a self-denying ordinance could apply is for individual Members to decide, but there is a workable solution, which I alluded to earlier. I call it a double majority, where we do not exclude any Member from voting on a particular measure, but where, if a measure applies only to one territorial part of the UK, it has to secure the support of a majority of Members from that area as well as of the House as a whole. That is a matter that should be explored further.

I will not speak any longer because I want to see the debate come to a timely conclusion, but I congratulate my hon. Friend the Member for West Worcestershire again. She has moved the debate forward substantially and I look forward to the Minister's comments in response to her questions.

12.19 pm

Mark Lazarowicz: I am delighted to be able to follow the hon. Member for Milton Keynes South (Iain Stewart), who has made some important points. If I did not do so earlier, I certainly add my congratulations to the hon. Member for West Worcestershire (Harriett Baldwin) on the way she has taken the Bill forward and tried to engage in debate on the issue. I do not for one minute underestimate or diminish the danger to the Union that could be posed by a feeling in England that the present arrangements, whereby MPs outside England can vote on these issues, are unfair to English constituents. I accept that that could undermine the strength of the Union, which I certainly would not want. However, I put it to the hon. Lady, the hon. Gentleman and other Members on the Government Benches—those who are still present—that the Bill's proposals are equally damaging to the Union and to better governance of this place. They are very dangerous, which is why I have concerns about the Bill.

The complexity of Bills is at the heart of some of the objections to the proposals. With respect, I say to the hon. Member for Perth and North Perthshire (Pete Wishart) that that cannot just be laughed off as easily resolvable in most cases. Many pieces of legislation that appear to apply only to one part of the UK actually have implications for the rest of the UK. We have heard about high-speed rail and the health service, for example. Let us say a Bill to privatise the NHS in England were being debated in this place and the votes of Scottish MPs—even including Scottish National party MPs—were crucial. As such a Bill would clearly have possible consequences for Scotland at a future date, does the hon. Gentleman really think people would understand why we did not vote on it because it nominally applies only to England? We cannot simply write off such issues as easily addressable. Concern about Scottish MPs voting comes to a head in respect of controversial measures such as tuition fees. Such issues do not arise on only a few occasions; there are many Bills that have implications across the UK even though they affect only one part of it in direct legislative terms.

The Bill addresses certifying whether or not a Bill applies to England only. If that were all that this issue involved, it might not be so objectionable. However, the issue is not just certification; it is also voting on Bills. Do the hon. Member for Gainsborough (Mr Leigh) and his like-minded colleagues who contributed to the debate really think that simply certifying a Bill as only applying to England but then having MPs from outside England voting on it would satisfy their constituents who have raised this issue? Their objection is not just to certification; it is also about those who vote on such Bills. I do not think this Bill will meet the concerns of those who feel they are being given an unfair deal by the post-devolution constitutional arrangements.

I therefore think the Bill would be the first stage on a short road to real pressure being applied on certain MPs not to vote on issues that only affected England. As the SNP is unlikely to form part of a coalition Government here in Westminster—although one never knows, as stranger things have happened—that might not be a problem for its Members.

Tom Greatrex: My hon. Friend is touching on an important point about the SNP position. In his contribution, the hon. Member for Perth and North Perthshire (Pete Wishart) suggested he would never dream of voting on English-only legislation. I had a slightly different recollection of his party's position, however, and interestingly a check of the record reveals that on 26 April 2010 the First Minister and SNP leader, Alec Salmond, said he would, indeed, consider voting on English matters were his party to form part of a coalition.

Mark Lazarowicz: That proves a point.

If MPs representing constituencies outside England were barred from voting on issues affecting only England—the same position would, I assume, apply in respect of other parts of the UK as well—there might, effectively, be two Governments at Westminster. When I said that might be the case, some Government Members clearly thought I was painting an extreme picture, but the hon. Member for Milton Keynes South has more or less accepted the point. His position is that the consequence of the road down which this Bill wants to go is that a measure that applies to English-only areas could pass only if it had majority support not only from the House as a whole but among MPs in England.

In effect, that would mean that for government within England we would on many occasions end up with some kind of quasi-coalition. If a Government did not have a majority of MPs in England, they could not get their programme through. They would either have to have no programme at all or would have to depend on other parties to get a majority. That might require a new form of coalition Government—I am quite in favour of coalition-type approaches, proportional representation and the rest of it, much to the chagrin of some of my hon. Friends, but it certainly is a new road to be going down. That seems to me to be the obvious logical consequence of the position put forward by the hon. Member for Milton Keynes South.

Alternatively, if the UK Government party had a majority of seats in the UK but not in England and another had a majority of seats in England, the other party would be able to get its programme through for

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England on the "devolved issues" that apply to parts of the UK and we would therefore effectively have two Governments. That possibility is not that far-fetched—it is quite easy to see how different electoral arithmetic could have that result.

Any suggestion that that analysis is somehow far-fetched prompts an important question: let us say that we had a UK Labour Government who were against NHS privatisation—I am not trying to rehash earlier debates—and a Conservative Government in England who were in favour of some form of privatisation. If that Conservative party had a majority in England to force through its policies, would it not try to do so? Of course it would. It would try to represent what it thought were the best interests of the country. It is not at all inconceivable that we could end up effectively with two Governments in this House when it came to matters that applied only in England.

Thomas Docherty: I just want to make an observation. I have heard the remarks from Government Members about the growing sense of anger among some constituents. How much anger does my hon. Friend think there would be among the constituents of a party that was nominally in government but was unable to get its Bills through even though the Secretary of State and Prime Minister were from that party? How angry would people be then?

Mark Lazarowicz: They would be very angry, and would be entitled to be if they were supporters of a party that supported a UK-wide state and could not get its policies through.

The problem that not having Scottish, Welsh or Northern Irish MPs voting on English-only matters raises is very real and I do not think that some Members have fully thought through its consequences. Once a Government with a majority in the House could not get through parts of their programme and if Opposition parties could get through parts of their programme, the consequences would go beyond the House of Commons and Parliament. The civil service and Departments would increasingly be put in a situation where civil servants would wonder who was in government if their Minister had executive authority over certain matters but could not guarantee getting policy through the House because Opposition parties could get theirs through. That would begin to cause some issues with how the Government's systems operate.

Some might say that what I am saying is far-fetched, but once we go along this road the consequences can develop more quickly than some might think. That is why the proposals that are being put forward for effectively English votes only for English MPs have difficulties and dangers. They could cause the type of division, anger and animosity that would cause further tensions in the Union, which I want to maintain. I have no objections to the commission being set up by the Government on this issue, although I suspect that finding the answers to the questions will not be so easy.

The hon. Member for Perth and North Perthshire (Pete Wishart) mentioned Tam Dalyell, and of course his point in raising the West Lothian question was that he objected to devolution per se. He thought the alternatives were either a full-scale Union or the hon. Gentleman's preferred solution. That shows how hard it is to answer this question.

We must ask whether the West Lothian question—as the Minister has pointed out, we should not call it that—is such a fundamental question that it must be addressed. If it must be addressed, is this the right way of addressing it? I suspect that the concerns underlying this matter are not really about voting but about money. There is a feeling of concern among some people in England that the financial arrangements between Scotland and the rest of the UK are somehow an unfair deal. There has been a lot of debate about this issue in the House and there is plenty of evidence that that is not the case—Scotland gets more in some respects, but then some parts of England get above the average while other parts of England get below the average. There are also all the issues about oil resources, taxation and so on to consider. Once we get into all that I suspect that the reality is that Scotland is not "subsidised" in the way that people suggest. A bit more transparency may address some of those issues, so that is something to welcome in the work that Treasury Ministers are doing. If spending, which I suspect is the real issue rather than voting, could be addressed, that would resolve some of the concerns.

On the voting issue, I wonder whether the problem is really so great that it requires this solution. The Union has never been a perfect, symmetrical arrangement. From 1603, and the Union of the Crowns, and from 1707 with the treaty of Union there have been lots of anomalies, which have come about primarily because there is one big member—England—and smaller members in the Union. People have tried to get perfect symmetry over the years but have not been able to achieve that. Do we really need that perfect symmetry if the cost is to be disruption of the kind that these measures would cause to the way that this place operates and to the government of the UK? If the issue is really so great that it requires a solution that is going to address it completely, the only answer will be something like an English Parliament or Assembly with devolution to England of those issues that are currently devolved to Scotland, Wales and so on. I suspect however that that would not solve many of the concerns of those hon. Members who want to address this issue. If the West Lothian question has to be answered, that is probably the only way. I certainly am not convinced that it can be met.

I am not closing my mind to any of the suggestions that might come from the commission that the Minister is going to set up, but I heartily endorse the view of the hon. Member for Perth and North Perthshire that it should not be just an internal, Westminster parliamentary commission but that it should draw on expertise from all the devolved regions of the UK. It should draw on academic and political expertise. I accept that it should not be something that goes on for years and years, eventually disappearing into the long grass, but it needs to be done comprehensively and in the round. This issue may seem relatively minor in terms of how it can be addressed in parliamentary terms, but once we go down this road there is a real risk that we will undermine the fundamental nature of the House and the way that we govern, thereby causing further tension between different parts of the Union, which is the last thing that any of us who want to keep the Union alive want to happen.

12.32 pm

Mr Nuttall: It is a pleasure to follow the hon. Member for Edinburgh North and Leith (Mark Lazarowicz). I am glad that in his opening remarks he recognised the danger of allowing the current situation, in which English constituents feel that the constitutional settlement is unfair to England, to continue.

I congratulate my hon. Friend the Member for West Worcestershire (Harriett Baldwin) on piloting the Bill through the legislative minefield of Report and Third Reading today. Being drawn as high as seventh in the private Member's Bill ballot gave her a flying start, and she has taken every advantage of her good fortune. In highlighting the gross unfairness that is encapsulated in what we all refer to as the West Lothian question, as it has been referred to for many years, she is doing a great service not only to her constituents but to constituents throughout the country.

Like the hon. Member for Perth and North Perthshire (Pete Wishart), I was not here for the Bill's Second Reading, so that Division was unfortunately one of the few in which I have been unable to take part. In fact, that Division shows the importance of attending and voting, because the Bill passed by only two votes on Second Reading. Had I been here and voted, that majority would have increased by 50%.

The sense of unfairness about the fact that Members of Parliament from, for example, Scotland can vote on legislation that affects my constituents but does not affect their own is keenly felt by many of my constituents. During the general election and the years that I was campaigning in Bury North leading up to it, that issue was brought up on the doorstep many times. It is all the more puzzling, therefore, that some 15 months after the general election we are hardly any closer to resolving the problem. The Bill might not solve the problem in its entirety, but it is a step in the right direction.

Although I appreciate that the West Lothian question is not entirely simple or straightforward, I am sure that many of my constituents will find it difficult to understand why so little progress has been made towards resolving a matter that has been on everyone's mind for decades. It might well be a difficult problem, but is it really so difficult that it should take 15 months simply to prepare and issue a one-page statement which tells us no more than we knew before yesterday—that the Government intend to establish a commission to consider the West Lothian question? We still do not know the commission's membership or terms of reference. Many will rightly wonder, as I do, why these matters could not have been under consideration for the past 15 months and dealt with before now. I suspect that they would have been, had we had a purely Conservative Government.

The Bill may not be the complete solution to the West Lothian question, but it is a step in the right direction. I am happy to support the Bill's progress today, and should it pass on Third Reading today, as I genuinely trust that it will, I wish it well in the other place.

12.37 pm

Mr Leigh: We have had a very long debate, but the issue is terribly simple. I agree with virtually everything that the hon. Member for Perth and North Perthshire (Pete Wishart) has said—apart, of course, from the end game of what he is trying to achieve. The rest made sense. The issue is actually extremely simple, as becomes clear if we look at both the Bill before us—which is what we are supposed to do anyway on Third Reading—and our Standing Orders.

The Bill, actually, does not pose innumerable political problems for either side of the House. All it says, under the heading "Duties of the Secretary of State", is:

> "The Secretary of State must, when publishing draft legislation, ensure that the legal and financial effect of that legislation on each part of the United Kingdom is separately and clearly identified."

It is as simple as that. It does not actually address the substance of the West Lothian question, but something that can address the substance of the West Lothian question is already in our Standing Orders.

It is so simply put in Standing Order 97(1):

> "After any public bill has been first printed, the Speaker shall, if of the opinion that its provisions relate exclusively to Scotland, give a certificate to that effect".

The House within five minutes next Tuesday afternoon, if it wished, could simply pass a motion to amend its own Standing Orders so that they read, "After any public bill has been first printed, the Speaker shall, if of the opinion that its provisions relate exclusively to Scotland or England, give a certificate to that effect".

The hon. Member for Dunfermline and West Fife (Thomas Docherty) has said—some of the points that he made were quite good—that there might be great political consequences. There would not, because as my hon. Friend the Member for North East Hertfordshire (Oliver Heald) has said, Standing Order No. 97 is not a closed Standing Order, because it gives a route to the House and the Minister. Once the Speaker has given his certificate, that is not the end of the process, because Standing Order No. 97(2) states:

> "On the order being read for the second reading of a bill so certified, a motion may be made by a Minister".

To respond to the hon. Member for Perth and North Perthshire, if there was doubt about whether the tuition fees Bill related exclusively to England—on the face of it, one might think that it would relate exclusively to England, given that it concerns education—because of a possible knock-on financial effect for Scotland, there could be communication through the usual channels. Despite the Speaker's certificate sending the Bill to Grand Committee—the English Grand Committee in this case—I am sure that we could accommodate the SNP, because our Standing Orders are sensible and, as my hon. Friend the Member for North East Hertfordshire has said, we have to live together in this place. In such circumstances, we could say that the tuition fees Bill should not be given to the English Grand Committee and that it should not be considered exclusively by English Members. There is therefore a neat and elegant solution to the problem.

Despite four decades of debate about the West Lothian question, we could move in a slow and traditional way—in a Fabian way, if I may say so; not a revolutionary way—to solve the problem. We could simply amend our Standing Orders and develop a procedure, bit by bit, through which exclusively English legislation would be referred to an English Grand Committee, so that only English Members would vote.

If that approach was such a problem, why, during the time we have had Standing Order No. 97—throughout the 20th century and, for all I know, the 19th century—has

[Mr Leigh]

no hon. Member said that there was a great problem? There was no great debate even between 1992 and 1997. At that time, if the Speaker issued a certificate to say that a Bill was exclusively Scottish, it would be considered by the Scottish Grand Committee, on which the Labour party would have had a big majority, and there was no argument. If there was an insuperable problem with extending the remit of Standing Order No. 97 to England, one would have expected that the measure would have been the subject of great debate in the past, but that was not the case.

To return to the point made by my hon. Friend the Member for Bury North (Mr Nuttall), if the Government wanted to act, they would not need a commission. We would not need even the Bill, because all it does is say that the Secretary of State will express an opinion about how legislation will affect particular parts of the United Kingdom. The Bill is completely harmless, because it ties neither the House nor any Minister.

Thomas Docherty: I assure the hon. Gentleman that I am not a Fabian—I probably never will be a Fabian—but the difference between Standing Order No. 97 and the Bill is that clause 1 provides that the Secretary of State will make the determination, not the Speaker. Does he agree that that shows the political danger in the Bill?

Mr Leigh: I am grateful for the hon. Gentleman's intervention, because that point was the one grain of truth in his speech. It increasingly worries me, because I wonder whether we are wrongly politicising the problem. We all know that the Bill, like all private Members' Bills, is fundamentally a campaigning Bill. We acknowledge our debt to my hon. Friend the Member for West Worcestershire (Harriett Baldwin), because she has achieved a huge amount through her campaign by actually getting a commission set up, even though it is entirely unnecessary.

I understand the point made by the hon. Member for Dunfermline and West Fife. If I thought that the Bill, if enacted, would tie the hands of the House and politicise the process in such a way that a Conservative Education Secretary could determine that a Bill was exclusively English and therefore stop any Scottish Member voting on it, I would have my doubts. However, while my hon. Friend the Member for West Worcestershire may tell me that her Bill is more ambitious than I believe, I can read only what it states:

> "The Secretary of State must, when publishing draft legislation, ensure that the legal and financial effect of that legislation on each part of the United Kingdom is separately and clearly identified."

The Bill does not say that the Secretary of State will decide whether a Bill is exclusively English; all that will happen is that there will be more knowledge. The Speaker would make his determination, but even after that, if my proposal were accepted, the Minister, in consultation with the other parties, could decide that a Bill—relating, say, to tuition fees—should be discussed on the Floor of the House. There is absolutely no problem or difficulty about it.

Hundreds of thousands of words have been talked about the West Lothian question—about how it will divide us, and about how there would be two classes of Member and all the rest of it. That is complete nonsense; we have always had several classes of Member. There have always been Ministers and Back Benchers. There has always been the Scottish Grand Committee, and nobody has said that it would lead to the break-up of the United Kingdom. The Speaker issuing a certificate to say that a Bill is exclusively about English education will not break up the United Kingdom. It is so simple; why do the Government not do it?

Mark Lazarowicz: I do not think that the Bill that put into effect the poll tax in Scotland went to the Scottish Grand Committee, but the hon. Gentleman was here then, and I was not, and I may be wrong in my understanding. For lots of entirely non-controversial Bills, an English Grand Committee would not be a problem, but when it comes to controversial Bills, a difficulty might arise, in that Bills might have a majority in England but not be able to carry a majority in the House. That would raise the issue of a Government not being able to operate in a coherent way unless they had a majority in England, as well as in the UK as a whole.

Mr Leigh: Between 1992 and 1997—and following the 1983 and even 1979 elections, when there were large Conservative majorities but a decreasing number of Scottish Tory MPs—I remember that there were huge debates about the poll tax and the rest of it, but I do not remember that there was any specific argument about the provisions of Standing Order No. 97. Of course, it would still be in the gift of any Government to say, "This is such a large issue"—the hon. Gentleman mentioned the poll tax—"that we want to consider the legislation on the Floor of the House," but that does not mean that Standing Order No. 97 is wrong. It does not mean that anybody argued against it. It does not mean that a Standing Order No. 97 could not be created for England, so I do not understand the point that the hon. Gentleman is making.

I suggest that there is a simple, clear, elegant solution. The Government may, by all means, set up the commission if they want to, but they have to get on with the issue now. They have to make some progress. My solution is there; they should get on with it. Although I have talked in House of Commons terms about Standing Orders and all the rest of it, which sounds fairly esoteric, there is a huge political issue, which the hon. Member for Perth and North Perthshire has identified. It is that we have to make some concession to the English public, who are rightly outraged that so many issues that exclusively concern England are voted on by Scottish Members of Parliament, although those measures will not affect them.

I say to the Under-Secretary of State for Scotland, my right hon. Friend the Member for Dumfriesshire, Clydesdale and Tweeddale (David Mundell), who represents the Conservative constituency in Scotland, that he should not vote on English business, any more than I should vote on Scottish education. Indeed, I cannot vote on Scottish education. He should have a self-denying ordinance. I very much hope that when the Minister speaks, he will intimate that he will get on and solve the problem. He is the only one who can solve it, and he can do so within our Standing Orders.

12.49 pm

Mr Harper: I am pleased to see you in the Chair, Madam Deputy Speaker. This morning, Mr Deputy Speaker was very generous in allowing some latitude.

If I may, I shall deal first with the questions from my hon. Friend the Member for West Worcestershire (Harriett Baldwin) about yesterday's written ministerial statement on the West Lothian question. That may be helpful to the House, because that is what quite a lot of the debate has focused on, and then I shall talk about her Bill.

On timing, my hon. Friend the Member for Milton Keynes South (Iain Stewart) has referred to the importance of dealing with the issue at a time when it is not a live political issue and when we are not in a crisis. He is consistent, because he made the same point in February on Second Reading. I responded by making it clear—I hope that this will reassure my hon. Friends the Members for West Worcestershire and for Gainsborough (Mr Leigh)—that the Government accepted that the issue needed to be dealt with in this Parliament. It is important to deal with it before it gives rise to a constitutional crisis—in fact, that would be a very bad idea. I said that it would be

"better to deal with the question...in an atmosphere of relative calm rather than to solve it hurriedly in an atmosphere of crisis."—[*Official Report*, 11 February 2011; Vol. 523, c. 638.]

I said that hon. Members, particularly those of a Unionist inclination, would agree that it would be better to deal with the matter when we can look at it calmly and reflectively rather than when we are being pressed to do so in a rush. I said so then, and I repeat it in response to my hon. Friend the Member for Milton Keynes South. I hope that that reassures colleagues that the Government intend to deal with the matter and not to kick it into the long grass, as some have feared.

My hon. Friend the Member for West Worcestershire had a number of questions, which she set out very carefully, about the commission, including the timing of the announcement. We made it clear in the statement yesterday that we will undertake a short consultation with Mr Speaker and other parliamentary authorities on how the commission can best address procedural matters in the House. We want to make sure that it can come up with a solution—or a range of solutions—that is workable and practical, which we could then debate and put into effect. There is no point in introducing solutions that simply would not work.

I said in the statement that I expected after that short consultation that we would introduce formal proposals on the membership of the commission and its terms of reference in the weeks—note the plural—after the House returns in October. My hon. Friend said that we had previously indicated that we would make those announcements this year, so Members can work out very quickly that it will be between the return of the House on 11 October and its rising for the Christmas recess.

My hon. Friend wants to know what the out date would be. I am afraid that on that one I am going to have to disappoint her, but I hope that I illustrated in my response to my hon. Friend the Member for Milton Keynes South that we intend to deal with this and make sure that we do. I do not think that it is quite as speedy to deal with as my hon. Friend the Member for Gainsborough has suggested, because there are consequences to the different solutions. For example, it may be the case that Bills cannot be certified as England-only because there is a varying devolution settlement across the United Kingdom. They may not apply in Scotland, because the Scottish Parliament has the relevant powers, but they may cover England and Wales and, indeed, Northern Ireland. They may not be England-only Bills—they may have different effects across the United Kingdom. It may not be possible to have a complete read-across from Standing Order No. 97, but that might be one of the solutions. My hon. Friend's suggestion of next Tuesday may be a little hasty, but given that he has suggested that the debate in its present terms has run for four decades—the general issue about how the United Kingdom is governed has run for hundreds of years—I do not think that the progress that we have made is as tardy as some have suggested.

Thomas Docherty: Will the commission examine what will happen with Government new clauses? A Bill may apply to only one of the four nations but, during its passage through the House, the Government may table a new clause that applies to more than one nation.

Mr Harper: That highlights the complexity of the issue. It is one reason why, as I have said, the Bill does not provide the solution, as it applies only to draft legislation. As the hon. Gentleman said in a previous debate, legislation can change significantly between its draft stage and its introduction. Indeed, sometimes that is the point of introducing draft legislation and consulting on it, as we want to listen to what people have to say. A legislative solution is not satisfactory to deal with the problem, because it would open up procedures in the House to the courts, which is something that I am sure hon. Members on both sides of the House do not want to do. The commission would need to examine that legislative process.

My hon. Friend the Member for West Worcestershire alluded to the question whether there was a difference between the coalition partners. I can assure her that although the two coalition parties come at the issue from different angles—the Liberal Democrats have always preferred a federal solution—the policy being set out is in the coalition agreement, the statement that I issued is the collectively agreed position of the Government, and there is no difference of opinion on the issue. The parties want to make progress and move forward.

Mark Lazarowicz: To be clear, I think the agreement between the Minister's party and his absent friends is simply on the commission. I do not think they have any agreement on the solution, if I am right in my understanding.

Mr Harper: The hon. Gentleman is right, but we want to solve the problem and we want to make sure the solution is workable. He may want to come back, but let me deal with some of the other aspects that I set out yesterday.

On the membership of the commission and the scope, we set out yesterday what it would and would not cover. Typically when the issue has been discussed, the West Lothian question has fallen into three components. One has been the representation of the different nations in the House. Another has been money—the hon. Member for Edinburgh North and Leith (Mark Lazarowicz) touched on that—and the third has been the processes of the House.

On the representation of the different parts of the United Kingdom, we have dealt with that in the Parliamentary Voting System and Constituencies Bill,

[Mr Harper]

so every part of the United Kingdom will be equally represented in the House. On the money side, I think my hon. Friend mentioned that we would not be dealing with that. We have made it clear that there may be issues that need to be dealt with in relation to the Barnett formula, but the time to tackle those is when the deficit has been dealt with, not now. We have made it clear that the commission will not deal with those financial matters. They are significant and raise a range of questions, but the commission—much to the relief, I am sure, of those whom we will ask to serve on it—will not be tasked with that responsibility.

I heard clearly the views that the hon. Member for Perth and North Perthshire (Pete Wishart) set out about some of the questions that the commission might need to consider. I welcome any thoughts that other Members may have about the scope of the terms of reference. The hon. Gentleman identified an important one—the interaction and the agreement between Parliament and the devolved legislatures about whether the particular areas fall within the devolution settlements and if they do, whether those devolved legislatures are content for us to legislate here. I have noted that and will bear it in mind.

The commission will be set up by the Government, so the terms of reference will be set by Ministers. My hon. Friend the Member for North East Hertfordshire (Oliver Heald) made the point that the House operates in a consensual way and we do not want Standing Orders to turn into a battleground. We have said that there will be a full opportunity for the political parties represented in the House to have their say following the completion of the commission's work. Clearly, that will have to take place anyway, because if we were going to legislate or change Standing Orders, there would have to be a debate and a vote in the House, but we want to make sure that when the commission has set out some workable solutions, we talk to parties in the House to move as far as is possible in a sensible way forward.

Oliver Heald: I fully appreciate that my hon. Friend wants to consult the House authorities on how best to frame the commission and the way in which it works, but can he guarantee that the Clerks of the House and the experts we have here will be able to have an input to the work of the commission, so that their expertise is fully taken into account by its members?

Mr Harper: My hon. Friend puts his finger on exactly the point on which we wish to consult Mr Speaker and the parliamentary authorities. We want to make sure that the deliberations of the commission are informed by the way the House works, and that when it proposes possible solutions, they are workable and practical and will not have unforeseen consequences. We need to think through the consequences and have a properly informed debate so that Members know what they are supporting when we bring forward those solutions. That is exactly why we will have a short process of consultation with Mr Speaker.

I return briefly to the short exchange yesterday when the hon. Member for Rhondda (Chris Bryant) raised his point of order and you, Madam Deputy Speaker, were in the Chair. I returned to the Chamber but had not heard all of the point of order. I said that I would read it, as I have, and would respond to it. As I said in response to the hon. Member for Perth and North Perthshire, the Government will listen to Members' thoughts about what should be encompassed within the terms of reference. Nevertheless, it is a commission that the Government are setting up to fulfil their own coalition agreement. I listened to what he said, though, and I am happy to listen to what other Members have to say. I hope that the hon. Member for Rhondda, who I am disappointed is not here to take part in this debate—*[Interruption.]* I see that other Members share that view. I hope that he will look at *Hansard* and feel that I have responded to and dealt with his point of order, although strictly speaking it was not a point of order—that was your ruling yesterday, Madam Deputy Speaker. None the less, I hope that he will feel that I have answered it properly. On those points, I also hope that I have satisfied my hon. Friend the Member for West Worcestershire.

My hon. Friend asked how the commission's recommendations will be enacted. To some extent, that will depend on its recommendations. Clearly, if it recommends a solution with a legislative basis, there will need to be a Bill and it would have to be dealt with in the usual way within government. However, it is entirely possible—perhaps even likely, given what I have said about the Bill—that because it relates to how the House operates, the solution would be a matter for the House and Standing Orders. That would clearly need a different set of solutions. However, given what I said to my hon. Friend the Member for Milton Keynes South, I hope that I have made it clear that the Government want to solve this problem. The commission is the mechanism for laying out some workable solutions, and I hope that she will find that of comfort.

The hon. Member for Dunfermline and West Fife (Thomas Docherty) talked about the 1990s and the process of devolution, and he said that it was not yet complete. One of the problems is that this was not thought through properly. The Labour Government thought through some parts of it, but did not think about how England would be governed in this devolved era. They did that partly because it was a difficult question and partly, I suspect, because some of their interests were different. The fact is, however, that devolution, which we support, has had consequences, and we just need to work through them and deal with them sensibly. Of course, I do not need to answer his other point, because my hon. Friend the Member for North East Hertfordshire has adequately demonstrated to the House that our right hon. Friend the noble Lord Strathclyde is, indeed, Scottish and resides in Scotland. He defended him so well that I need not trouble the House on that point any further.

I have dealt with the points raised by the hon. Member for Perth and North Perthshire. I want to deal with two points made by the hon. Member for Edinburgh North and Leith (Mark Lazarowicz). He is right that this is a complex matter, but I think that he confused or muddled up government and legislation. The Government cannot always assume that they will get their legislation through. They might well have a pretty decent chance of getting it through this House, although some of the legislation that I have been involved in has required a fair bit of persuasive work with my colleagues in the Conservative

party, not just with Opposition members—*[Interruption.]* I hear agreement on that. In the other place, however, where the Government do not have a majority, it is not a foregone conclusion, and Ministers have to undertake a process of persuasion and consultation, and often have to make concessions. Even Governments with a majority in this place cannot take legislating for granted. Furthermore, aside from legislative issues, Ministers have many powers and executive responsibilities that do not involve legislation. I think that he was guilty of confusing those issues.

Mark Lazarowicz: Of course I accept that the Government can never guarantee the passage of legislation through either House. Surely he must accept, though, that there could at least be potential difficulties if a Government with a majority in the House could not rely on a majority on a wide range of issues falling under this English-only provision. At the very least that has to be considered seriously by his commission.

Mr Harper: I accept that there is a problem; I just thought that the hon. Gentleman overstated it. There is an issue, though, and it is important that we look at how the House operates. We had a debate about different classes of MPs, and about a recognition of the Government and the Opposition. Clearly, if some of his concerns came to pass, we would need to consider whether they affected how the House operated, which is exactly why we need to ensure, as we said in the written statement, that the commission comprises people with constitutional, legal and parliamentary expertise—so that we think those consequences through.

Thomas Docherty: I am most grateful for the advice that the Minister is so generously giving, but can he say a little more about the relationship between the commission that he is establishing and the debate about reforming the other place—in particular about how one defines a peer, which I mentioned in my speech, and how that would work between the upper House and the commission?

Mr Harper: I am glad that the hon. Gentleman asks that. Clearly peers are not elected at the moment, so in no recognisable sense do they come from different parts of the United Kingdom. As we take our reform proposals forward, this issue clearly has the potential to pop up in the other place. If we come up with a sensible, workable solution in this House, it could simply be adopted for the way a reformed second Chamber works, when we are—as I hope we will be—successful in making progress on our reform proposals.

Thomas Docherty: I am most grateful for the straight face with which the Minister said that last sentence, but given that 20% will still be appointed and that those appointed are intended to reflect the UK balance of the House, how would the Government reconcile a UK-balanced upper House with an English-balanced lower House?

Mr Harper: I will give the hon. Gentleman a brief answer, because I fear that if I give too wide an answer, Madam Deputy Speaker will tell me off for straying into House of Lords reform. I am surprised that he made that remark about a straight face because it is his party's policy to have an elected House of Lords. That was what those on his Front Bench in this House have said. We all have Back Benchers with different views, but that is his party's policy, so I will hope that he will support it as we make progress. Members appointed in the other place when it is reformed will not be party appointees; they will be independent Members from a party perspective. I am therefore not sure whether their geographical origins, about which the hon. Gentleman has expressed concerns, are necessarily that important. Those Members will not represent geographical parts of the United Kingdom, so the West Lothian question does not really apply.

Thomas Docherty *rose—*

Mr Harper: I will keep going along this line for as long as Madam Deputy Speaker permits me.

Thomas Docherty: Let us take an individual who, for argument's sake, comes from Scotland, lives in Scotland, has a broad Scottish background and has no interests in England, but who is appointed to the upper House. Would that not simply exacerbate the West Lothian question?

Mr Harper: It may do, but those are questions that can be dealt with when we debate House of Lords reform. We can deal with the West Lothian question as it pertains to this elected House now; I am sure that those other questions will provide yet another exciting avenue of debate later. Indeed, I suspect—and fear—that some in the other place may have noted the hon. Gentleman's concerns and may, even as we speak, be formulating concerns that they have not had before and that we shall have to address.

Let me turn to the Bill. As I said when we debated the amendments, in drafting her Bill my hon. Friend the Member for West Worcestershire sensibly stuck to draft legislation, so that—as she and I have discussed before—she was in no danger of opening up the internal processes of this House and how we legislate to the courts. That was the right thing to do. However, in a sense, that has meant that her Bill, although an excellent vehicle for debate and exploring the issues—something that all Members have found useful—does not really present a solution. Indeed, the Bill does not even present a partial solution, because it cannot be the solution for actual legislation. For those of us who represent seats in England, our constituents are not really concerned about draft legislation; they are concerned about actual legislation and actual spending. Her Bill and the approach that it takes cannot apply to actual legislation because it is legislative in nature.

Apart from that, as I said when we discussed the amendments, the Government already set out clearly the territorial extent of provisions in actual legislation. Indeed, I gave the House some examples on Report of the different ways in which that is explained in various Bills. That is already done, and in a way, that is not the difficult part of the process. Rather, the difficult part is what follows from saying that Bills apply to different parts of the UK. The hon. Member for Perth and North Perthshire made it clear that, because of his party's approach, it has had no trouble in identifying legislation that affects different parts of the UK or in making decisions about how to vote. I do not think that

[Mr Harper]

that is the difficult part. I think also that my hon. Friend the Member for Gainsborough shares that view. The Bill does not move us further forward in that regard. It merely adds legislative bureaucracy and some uncertainty, and, certainly from a Conservative perspective, we do not want to legislate when it is not necessary to do so. Passing legislation that takes us no further forward is not appropriate.

My hon. Friend the Member for West Worcestershire referred to the democracy taskforce, a Conservative thing that was chaired by my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke), now the Lord Chancellor and Justice Secretary. As she said, the taskforce did not think that a full version of English votes for English laws would be desirable. It also looked at a modified version that would allow English Members into the Committee and Report stages of English-only legislation, while allowing the whole House to vote on the rest. It decided that there was no perfect, neat, tidy, no-loose-ends solution to the problem, and that the answer lay in making some improvements and moving forward. Looking into that approach in more detail will be a task for the commission.

I think that we have made some progress. I hope that I have been able to convince my hon. Friend the Member for West Worcestershire that the wait for the membership and terms of reference of the commission will not be a long one, and that the Government are committed to resolving the problem and not leaving it to fester until it becomes a crisis. Her Bill had to be very narrow because of the difficulty of legislating in this area, and it is not the right one. I therefore urge her to withdraw it at this time, and I look forward to her engaging thoroughly with the commission and putting forward her views to it.

I would just caution Members on the matter of Mr Speaker certifying Bills, as this is an area in which we would do well to think through the complexities. Certifying Bills is not an uncontroversial matter. I think that one or two Members might have been a little blasé about it. There has already been some debate in the other place when Mr Speaker has certified Bills as money Bills under the terms of the Parliament Act. I remember, when I was taking the Fixed-term Parliaments Bill through, the remarks made in the other place by the former Speakers, Baroness Boothroyd and Lord Martin. They were unhappy about the proposals for the role of the Speaker in certifying motions of no confidence, saying that that could draw the Chair into areas of controversy.

We need to ensure that the things that the Speaker takes into account in making such determinations will not draw the Chair into party political controversy. That might not be as simple to achieve as colleagues think. On uncontroversial Bills that are not a matter of huge debate between the parties, the Speaker will be able to make those determinations without attracting any criticism. When highly charged matters that could have significant political consequences are involved, however, we would need to consider whether getting the Speaker to make such decisions could endanger the impartiality of the Chair and risk drawing him into political controversy.

My hon. Friend the Member for North East Hertfordshire made a point about the flexibility that is built into Standing Order No. 97, whereby, if the Speaker made a ruling in a controversial situation, it would be possible for the Government, and other parties through the usual channels, to make decisions to protect the neutrality of the Chair. Those are the kinds of issues that the commission will need to think about.

It would have been relatively straightforward to rush into establishing a commission, but it might have produced answers that were incapable of being delivered or on which there was no agreement. The process that we have undertaken, in a more thoughtful way, will mean that we have a commission that will be able to deal with the issue and put forward solutions on which there will be a considerable amount of agreement. I urge my hon. Friend the Member for West Worcestershire not to proceed any further with her Bill, but she can be confident that she has done the House and the country a service by instigating this debate, and perhaps also by holding the Government's feet to the fire to ensure that we make sufficiently swift progress.

1.15 pm

Harriett Baldwin: With the leave of the House, I would like to answer some of the Minister's points and thank everyone who has spoken today, either in support of or against the Bill. A wide range of interesting points have been made. I agree with the Minister that my hon. Friend the Member for Gainsborough (Mr Leigh) was a little optimistic when he said that the matter could be sorted out by next Tuesday.

I welcome the fact that the Minister made it clear that he does not intend to kick the issue into the long grass. He also reassured us that the consultation that is under way on setting the terms of reference for the commission, its membership and who might chair it will be short. He gave us a great deal of confidence that we would know who those people are by 31 December. That is reassuring.

However, we still need to discuss some of the points that I raised earlier. The Bill provides for all proposed legislation to include, on the face of the measures, the implications for the Barnett or any successor formula. In the discussion of the terms of reference of the commission, we want it to examine that. Although I agree that we do not want an enormous amount of bureaucracy expended on spelling out the financial implications, it would be helpful to the House, and potentially the Speaker, if the commission considered whether the proposal was helpful. I was therefore not reassured to hear that the House could not consider the financial implications until the deficit was tackled. As we heard earlier, Members will want to know the consequences for the Barnett or any successor formula.

We did not hear what sort of scrutiny the Chamber might be able to undertake if the commission recommends a change to Standing Orders. The Minister mentioned a range of solutions that the commission might devise, and the options will be the subject of continuing interest to hon. Members. Even if there were no legislative solution, I presume that the House would have to have an opportunity to discuss them.

Mr Harper: I was not very specific about the way in which the House will deal with the matter because we do not know what the solutions will be. Clearly, there would be an opportunity, if it was appropriate, for the

House to debate the conclusions. If there was a proposal to change Standing Orders, a motion to do that would be tabled, which the House would debate and vote on. To some extent, it depends on the commission's recommendations. The danger of my being too specific is that the point of setting up the commission is for it to use its expertise to devise solutions. I do not want to prejudge the solutions. If I did that, there would not be much point in having a commission.

Harriett Baldwin: I thank the Minister for that clarification. It leads me to my final reaction to his statement. As he acknowledged, it is disappointing that the commission will not be given an out date. It would not have been impossible for us to hear today the Minister's expectations of an out date. Is it likely to fall during the current parliamentary Session, or after the Queen's Speech? I feel that it should be timely enough to enable Members to resolve this complex issue before the next general election looms.

Mr Harper: Let me clarify what I said. I did not say that there would be no out date; I simply said that I had not reached a conclusion that I could share with my hon. Friend today. Obviously, when a commission is established it must be given some idea of when it is supposed to report, and, as I said to my hon. Friend the Member for Milton Keynes South, we want to solve the problem before it has to be solved in a moment of crisis. Setting up the commission is not an attempt to kick the issue into the long grass. We want it to come up with workable solutions which the House can then debate and put into action.

Harriett Baldwin: I thank the Minister for his clarification, but I am not sure that I heard within it a specific timetable that he had in mind. I would expect an out date for the commission to be some time within the current Session. I would probably accept that it could potentially be as long as 12 months after its establishment, but I would consider even that to be quite a long time, given that it has taken us 16 months to get a written ministerial statement giving notice that it would be established.

Thomas Docherty: I am torn here. The hon. Lady has made some valid points, and I too am baffled by what the commission is all about if it is not about kicking the issue into the long grass. However—now I am jumping to the Minister's defence—this is a vastly complex issue, and trying to resolve it in the few months between Christmas and next summer might not do it due service.

Harriett Baldwin: That gives me increasing grounds for worry about how people might be able to use a commission that has been given no specific timetable or out date as a way of delaying and stalling for a considerable time.

On the issue of the timetable and the out date, if the Bill has done nothing else it has concentrated the Government's mind on their own business. I therefore wish to test the will of the House.

Question put, That the Bill be now read the Third time.

The House divided: Ayes 24, Noes 40.

Division No. 344] **[1.22 pm**

AYES

Baker, Steve
Baldwin, Harriett
Barclay, Stephen
Bone, Mr Peter
Bradley, Karen
Cash, Mr William
Chope, Mr Christopher
Coffey, Dr Thérèse
Dinenage, Caroline
Eustice, George
Heald, Oliver
Hoey, Kate
Hollobone, Mr Philip
Kaufman, rh Sir Gerald
Latham, Pauline
Leigh, Mr Edward
Mordaunt, Penny
Nokes, Caroline
Nuttall, Mr David
Raab, Mr Dominic
Turner, Mr Andrew
Vickers, Martin
Wishart, Pete
Wollaston, Dr Sarah

Tellers for the Ayes:
Iain Stewart and Simon Hart

NOES

Anderson, Mr David
Baker, Norman
Beith, rh Sir Alan
Benyon, Richard
Brown, Lyn
Burns, Conor
Burns, rh Mr Simon
Cooper, Rosie
Davey, Mr Edward
Djanogly, Mr Jonathan
Docherty, Thomas
Grayling, rh Chris
Greatrex, Tom
Hammond, rh Mr Philip
Harper, Mr Mark
Heath, Mr David
Hendry, Charles
Herbert, rh Nick
Hoban, Mr Mark
Jones, Helen
Kaufman, rh Sir Gerald
Keeley, Barbara
Lazarowicz, Mark
Loughton, Tim
Morrice, Graeme *(Livingston)*
Munn, Meg
O'Brien, Mr Stephen
Pound, Stephen
Randall, rh Mr John
Robathan, rh Mr Andrew
Robertson, Hugh
Seabeck, Alison
Shepherd, Mr Richard
Shuker, Gavin
Swire, rh Mr Hugo
Thurso, John
Timms, rh Stephen
Umunna, Mr Chuka
Villiers, rh Mrs Theresa
Woodcock, John

Tellers for the Noes:
James Duddridge and Angela Watkinson

Question accordingly negatived.

House of Commons Disqualification (Amendment) Bill

Second Reading

1.37 pm

Mr Peter Bone (Wellingborough) (Con): I beg to move, That the Bill be now read a Second time.

It is a great pleasure, and somewhat of a surprise, to be able to move on to this uncontroversial and straightforward little Bill. We have the best part of an hour to discuss it, so I think we should make good progress.

I am introducing such an uncontroversial and minor Bill in the true spirit of private Members' Bills. Its aim is to act on the Prime Minister's wishes, support coalition party policy, increase parliamentary scrutiny, reduce the size of the Government and save considerable amounts of money for the taxpayer. As I have said, it is uncontroversial, helpful to the Government and supportive of the Prime Minister.

I know that people will be suspicious that this might be a Government hand-out Bill. Let me reassure the House that although I have had some robust exchanges with the Government about the Bill, I can confirm that it is not such a Bill. I also noted, however, that the objections raised by the Government were weak and half-hearted, so reading between the lines I know that they are actually keen for the Bill to become an Act.

In a nutshell, the Bill would stop Members of Parliament becoming Whips. Why am I introducing the Bill now? There is, of course, an argument, which I shall explore later, that Members of Parliament should not be Whips at any time, but there is a more practical reason why the Bill should be passed. The Government have confirmed that they will set up a business of the House committee by 2013 as part of the ongoing radical reform of Parliament that is allowing better scrutiny of Government business. May I praise the Deputy Leader of the House, who is in his place and who I hope will have a chance to reply, for what the Government have done? They have taken the reform of Parliament seriously and there is ongoing progress—this Bill would just add a little to that progress.

The business of the House committee will timetable the business of the House so that the parliamentary week will be controlled by Parliament instead of being controlled by the Executive. That will have the effect of doing away with most of the work that the Whips now do, of which the organisation of the business of the House is a major task. Only yesterday, the Leader of the House reaffirmed at the Dispatch Box the Government's absolute commitment to setting up the business of the House committee by 2013. He said:

> "This Government successfully implemented the recommendation to establish a Backbench Business Committee, which I am sure that the hon. Gentleman welcomed. The majority of the remaining recommendations of the Wright Committee are a matter for the House rather than Government. The Government will be bringing forward a Green Paper on intelligence and security later this year in which we will make initial proposals on how to reform the Intelligence and Security Committee. As set out in the coalition agreement, the Government are committed to establishing a House business committee in 2013."—[*Official Report*, 8 September 2011; Vol. 532, c. 546.]

Clause 3(2) of my Bill states:

> "This Act comes into force on the day of the appointment of the House of Commons Business Committee."

My Bill would not abolish overnight the right for Members to be Whips. There would be a period of transition for up to two years.

Thomas Docherty (Dunfermline and West Fife) (Lab): Obviously, I have to disagree with the hon. Gentleman about the wonderful job that the Whips Office does, as it says here in my notes, but will he clarify what would happen to the functions that are provided to the royal household by the Whips? Who would take on those roles?

Mr Bone: Time is limited but I will address that later if I get to it.

This is not an attempt to denigrate or try to get rid of individual Members or right hon. Members of Parliament who are Whips at the moment. Almost without exception, they are talented, thoughtful, hard-working Members of Parliament who would be better employed as Executive Ministers in the Government, as shadow Ministers or on the Back Benches scrutinising the Executive. It is a waste of their considerable talent to have them in the Whips Office. I should like to single out and praise two Whips—the Government Chief Whip and the Government Deputy Chief Whip, who have been exceptionally helpful Members of Parliament and who have certainly produced a system of whipping that is fairer, freer and better than in the previous Parliament. In my opinion, they should both be Executive Ministers and should not waste their huge talents in the Whips Office.

The problem is not with the individuals or the tone of the Whips Office but with the institution itself. One could argue that when there was slavery in the southern states of the USA, there were benign slave owners, and the tone of slavery definitely improved over the years, but that does not take away from the fundamental fact that the institution of slavery was wrong because it sought to control other human beings through various methods. Similarly, the Whips Office seeks to control the minds, actions and votes of individual Members of Parliament. That is fundamentally wrong. I would argue strongly that we have a benign set of Whips at the moment, and the tone of whipping has definitely improved considerably over the years, but it is the institution of whipping that is wrong.

Looking elsewhere, let us imagine what would happen if any other organisation, private company or individual told a Member of Parliament when to speak, what to say or how to vote. They would be hauled before the House for contempt, but that is exactly what the Whips try to do every day. They will flatter, cajole, threaten or even use blackmail to achieve this. They are a perfect example of people who believe that the ends justify the means. I have lost count of how many times the Whips have shouted or sworn at me. The institution of the Whips Office is secretive and highly efficient. It is exceptionally talented at getting what it wants.

Before I go into the detail of the Bill, I shall briefly mention a television programme that many of us have probably watched. In 1980, "Yes Minister" aired for the first time. It went on for a further four series. It is of course a satirical sitcom about a hapless Minister and Parliament, but I understand that it is also the training manual for Ministers. However, I mention the programme for one episode and one scene alone. Jim Hacker, the hapless Minister, says to his private secretary when the Division bells sound, "What's the vote?" The secretary goes on to explain that it is about the education Bill,

and continues to explain about the details of the education Bill and what it hopes to achieve. However, before he can finish Jim Hacker cuts him off and says, "No, don't tell me about the Bill; tell me which Lobby the Whips want me to vote in. I don't need to know about the Bill. I just need to know which Lobby I have to vote in." That was 30 years ago, and nothing has changed over that period.

Most Members of the House, on most occasions when Division bells ring, have no idea what they are voting for. Many do not even know the basics of the Bill; they are just voting the way the Whips tell them.

Mr Philip Hollobone (Kettering) (Con): My hon. Friend is making an excellent speech. Is not the fact that Members do not know which way to vote exposed whenever there is a free vote in the House and individual Members have to make up their own mind on an issue? They are standing by the doorways, not knowing which Lobby to enter—which way to vote. It shows how mechanical the system has become.

Mr Bone: As usual, my right hon. Friend—he should be right honourable, but he is in fact my hon. Friend—is right. We have just seen an example of that. Allegedly, Labour Members had a free vote in the Division a few minutes ago, and outside in the corridor Members were asking which way to vote. They had no idea what they were voting on. Luckily, there were some Labour Whips there, helpfully indicating which way they should go on the free vote. We have had a problem in Parliament for more than 30 years. Members of Parliament are voting, not according to what a Bill is about, but according to what the Whips say.

May I explain how most Bills go through the House of Commons nowadays? A Bill

> "gets sent to the House of Commons where it's debated without diligence—because automatic guillotines cut time short. It's passed without proper scrutiny—because standing committees for Public Bills are stuffed with puppets of the Government. And it's voted through without much of a whisper—because MPs have been whipped to follow the party line.
>
> We've got to give Parliament its teeth back so that people can have pride in it again—so they can look at it and say 'yes: those MPs we elect—they're holding the government to account on my behalf.'"

[Hon. Members: "Hear, hear."] No wonder there were cheers for that, because they are not my words, they are the words of my right hon. Friend the Member for Witney (Mr Cameron), the Prime Minister.

By stopping Members of Parliament becoming Whips and stopping Whips telling Members of Parliament how to vote, we would help to address many of the Prime Minister's concerns; and as with so many other things, the Prime Minister is absolutely right: we need to bring power back to Members of Parliament and away from the Executive. The Bill would enact the Prime Minister's wishes.

I have not had the opportunity to discuss the Bill with the Prime Minister, but I am sure that if he is available and my Bill goes to a Division, he will be in the Aye Lobby. One may even say that his words were uttered in the same spirit as those of Edmund Burke, that great Conservative thinker, who once said about the perfect MP that,

> "his unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice…to any set of men living."

That is what we Members of Parliament should do, and it is what Parliament itself was set up for us to do. We should act on behalf of our constituents, and use our unbiased opinion and mature judgment to scrutinise every piece of legislation that comes our way so that we hold the Government to account, regardless of party politics. Burke could surely not have foreseen how hard it is today for a Member of Parliament to live up to his ideal. Sadly, all too many of us succumb to pressure from a particular set of men living: our flatterers, cajolers and bullies who make up our party Whips.

Mr Hollobone: I am enjoying my hon. Friend's powerful contribution immensely. Does he agree that the better that Back Benchers do their job, the better the Executive will do their job, because we can raise the bar and hold them to account properly?

Mr Bone: My hon. Friend is quite right. I think it was the right hon. Member for Blackburn (Mr Straw), when he was Leader of the House in the previous Parliament, who said that there had never been a piece of legislation that had gone through the House and received proper scrutiny that had not become a better Bill as a result of that scrutiny. The thinking of the Whips—that pushing stuff through without proper scrutiny achieves the best for the Executive—is the wrong way round, because that actually results in completely the opposite.

Mr Christopher Chope (Christchurch) (Con): I strongly support my hon. Friend's Bill, but does it deal with the problem of the Committee of Selection? That Committee is dominated by the Whips and it effectively prevents honest Back Benchers with an independent mind from serving on many Public Bill Committees.

Mr Bone: My hon. Friend hits on an important point. One of the problems in this Parliament is that someone who does not agree with the line of the Executive or the shadow Executive cannot get on to such Committees. That happens because Whips nominate the membership of Committees, but a side benefit of my Bill would be that that would end, because there would be no Whips.

Unlike in many other countries, the Executive live within Parliament, rather than outside it. They propose from within Parliament, and sit, live and breathe within it. Over the years, people have therefore sought election to Parliament not to become Members of Parliament, but to become Ministers. They want to be either a Minister in government, or a shadow Minister in opposition. In the vast majority of cases, people who are elected to the House of Commons want to be a Member of Parliament not for its own end, but as a method to become a Minister. That gives enormous control to Government and Opposition Whips. If someone proposes to exercise their judgment against what the Whips want, they will rapidly be given the threat that their career will be over and they will never become a Minister—I think that I have probably qualified for that advice.

Dr Sarah Wollaston (Totnes) (Con): Does my hon. Friend agree that that leads to a form of creeping patronage? Mechanisms such as negative briefings are also used, and I was subject to a hostile Culture, Media and Sport briefing that was sent around. That goes to the heart of a culture in the House that undermines the integrity of individual hon. Members.

Mr Bone: My hon. Friend has been elected to the House to be a Member of Parliament and to use her own judgment. She hits on a good point, and if I get time, I shall deal with the problem of the black art of misinformation that the Whips operate so successfully.

For a new Member of Parliament, the Whips' threat that their career will be over if they do not vote in a certain way is enormously powerful. However, history suggests that completely the reverse is the case. Many people who have voted against the Whips on the most controversial matters are now Ministers—some are actually in the Cabinet.

Mr Edward Leigh (Gainsborough) (Con): I think that new Members are under a misapprehension. They think that if they ever vote against the Government, they will not get into the Government. Actually, people get into the Government if they are good: if they are principled and intelligent, and crack it at the Dispatch Box, they will get in. They should be far more confident about that.

Mr Bone: My hon. Friend is absolutely correct. A yes-person who always agrees with the Whips will never be a good Minister. A person has to have independent thought to be a Minister. Some members of the Cabinet voted against the Maastricht treaty—probably the most controversial issue for the Conservative party—and it did not seem to do them any harm.

Parliament was originally intended to act as a check on the Executive, and to hold them properly to account, but with the advent of the party and such concepts as party loyalty and party manifestos, Members of Parliament who put their individual judgment to one side are increasingly frequently—more often than not—treated by the Whips as little more than sheep. They are blindly herded into Division Lobbies and told to vote a particular way on a subject that they know nothing about. Whips even have the nerve to divide the groups that they look after into flocks, because they regard them as sheep. Sadly, Christopher Hollis MP had it precisely right when he said in 1946:

> "On most votes it would be simpler and more economic to keep a flock of tame sheep and from time to time to drive them through the division lobbies in the appropriate number."

Steve Baker (Wycombe) (Con): I have great sympathy with what my hon. Friend says, and I was standing in about this position in the House when I first advocated abolishing whipping. However, does he not agree that it is necessary to organise for votes, and that without whipping, or at least some system of organisation, it would be very difficult for any Government to get their business through?

Mr Bone: Unusually, I disagree with my hon. Friend. If we go back to the years of Wilberforce, or the time of the American civil war, Members of Parliament quite often campaigned and voted against the Executive's line. The Government would lose major pieces of legislation, but the Government did not fail; they carried on. That was what Parliament was supposed to do.

Mr Chuka Umunna (Streatham) (Lab): I am extremely grateful to the hon. Gentleman for giving way, particularly as, I must confess, I was not here for the beginning of his comments. Does he not acknowledge that in the time of Wilberforce, to whom he referred, political parties were a little different, and there was not the same volume of legislation? Perhaps I could ask him a key question. Is he not really arguing for a strict separation of powers? Ultimately, is not his point of contention that he objects to the fusion of the Executive and the legislature? That seems to be the real point.

Mr Bone: I am grateful for that intervention from, I think, a Parliamentary Private Secretary.

Mr Umunna: I am a former PPS and a shadow Minister.

Mr Bone: A shadow Minister—somebody who is obviously going up the greasy pole. The hon. Gentleman asks a very reasonable question about the separation of powers. Some Labour Members, such as the hon. Member for Nottingham North (Mr Allen), argue strongly that there should be a complete separation of powers. I do not, but I argue that the danger of a total separation of powers comes if Parliament is not effective. I understand the point that the hon. Member for Streatham (Mr Umunna) makes, but although my Bill would increase the separation of powers, it would stop their total separation.

Mr Umunna: Again, I take issue with what the hon. Gentleman says, because it ignores developments in the House of Commons over the past few months. Let us look, for example, at how the Select Committee system has absolutely reasserted the scrutiny power of this place. Many would argue that the drift of the culture in this place is towards much more scrutiny and less takeover by the Whips system.

Mr Bone: The hon. Gentleman is absolutely right. This is a totally different Parliament. There has been huge progress by Parliament and the coalition. Now is the time to press for even more reform. The one group of people who are absolutely opposed to any lessening of the Executive's power are the Whips, because they see their whole job as getting the Executive's business through. This is an opportunity that we should not miss and may I say, as heartily as the hon. Member for Streatham does, that I acknowledge the huge improvements that the Government have made to parliamentary scrutiny?

Mr Hollobone: As the hon. Member for Streatham (Mr Umunna) rightly states, Select Committees in this Parliament have more power and authority than they did in the previous one, largely because of direct elections by all Members for their membership. However, there have been retrograde steps such as the huge increase in the number of PPSs, which increases the Government's payroll vote and reduces the opportunity for Members to scrutinise the Executive.

Mr Bone: My hon. Friend is correct. Although we may take two steps forward, we sometimes take one step back. The Whips Office have found it difficult to deal with the fact that their patronage has been taken away. They cannot appoint Select Committee Chairmen any more, so they have gone to a different camp and we have many more PPSs. We have probably got PPSs to PPSs—it is getting to that stage. At any time, the Government can probably rely on 150 votes in the House. I regret

that control by the Executive over Parliament, and it would help enormously if it were not possible for MPs to be Whips.

Moving on to a more controversial part of an uncontroversial Bill, I shall describe the problems with the Whips Office. There is a story about a new Member who went into the Labour Whips Office and said, "Does it mean that we can't beat people up any more?" That is probably an urban myth that has been widely cited, but there are other stories that are clearly true and are much more worrying. In fact, not a single hon. Member would deny that the Whips Office uses a whole arsenal of weapons including patronage, flattery, misinformation, which is highly effective, and the direct threatening of parliamentary careers should the unfortunate victim of their attention not comply with their wishes.

Occasionally, the operation of the Whips Office becomes public knowledge. Let us go back just a few weeks to June, when a Backbench Business Committee debate on wild animals in circuses dominated the news outlets. First, I must say that this reforming Government have set up the Backbench Business Committee which, for the first time, has allowed Back Benchers to table business in the House. We have 35 days per Session to allocate debates, which is a huge step forward in parliamentary reform. It allows better scrutiny of the Executive and allows issues that would not otherwise be heard to be debated on the Floor of the House.

My hon. Friend the Member for The Wrekin (Mark Pritchard) secured a debate on wild animals in circuses. Unfortunately, the Whips had not embraced the idea of non- Executive business or the notion that Parliament should take a view on the matter different from that of the Executive. They still tried to influence my hon. Friend with their normal bag of tricks: flattery, inducements and threats. However, my courageous and independent hon. Friend stuck to his guns and forced a change to Government policy. He said in the Chamber:

> "I am not going to kowtow to the Whips or even the Prime Minister of my country on an issue that I feel passionately about and on which I have conviction." —[*Official Report*, 23 June 2011; Vol. 530, c. 548.]

He also said that MPs should show "a bit of spine" and that he would not be bullied.

The result of my hon. Friend's bold stand was that the Government caved in and allowed a free vote on his motion, which was overwhelmingly endorsed by the House of Commons. As my hon. Friend the Member for Kettering (Mr Hollobone) said, it produced better legislation as a result.

Mr David Nuttall (Bury North) (Con): If I remember correctly, there was no vote that day. Am I right in my recollection?

Mr Bone: My hon. Friend is not quite correct. The Question on the motion was put, but because nobody expressed dissent, it was carried by the collection of voices. Many of us who returned especially to vote on that were delighted that there was no opposition.

My argument about that day is that the Whips should not have attempted to influence support for the actions of my hon. Friend the Member for The Wrekin, as the debate was Back-Bench business. The Whips should simply have butted out. The Bill would make it impossible for such pressure to be applied in the future because Members of Parliament could not be Whips. Instances of such behaviour abound and we all know several Members whose careers have been significantly affected by the actions of the Whips Office. It is, sadly, a simple fact of parliamentary life that even the size of the room a Member gets depends on how much they have pleased the Whips. My hon. Friend the Member for Kettering is still in a shoebox.

As for disinformation, let me give the House an example, particularly in response to my hon. Friend the Member for Totnes (Dr Wollaston). I know that Whips deliberately misinformed hon. Members about the facts relating to the new Backbench Business Committee by sending out an e-mail out that claimed the Committee always held its business on a Thursday and decided the topic under discussion only a few days before. That was sent out by the Whips as authoritative fact, although it was completely and utterly untrue. It was intended to rubbish the new Committee because that Committee put business before the House that the Whips did not want to see debated.

It is astonishing to think that in an age where employees have more rights than ever before and workplace bullying has, thankfully, become increasingly unacceptable, Members are still treated in such a manner. If I were to treat my staff in this way for even an instant I would, quite rightly, be taken to an employment tribunal, yet it is through these often underhand methods that Whips ensure that the Executive line is strictly obeyed, and that the public are therefore denied the independent-minded Members of Parliament and, indeed, the Parliament that they deserve.

The situation is worse in coalition Governments, as Whips often force Members to vote in totally the opposite way to what their party manifesto stated on issues that they stood on at the last election. Although Liberal Members signed a pledge before the last election not to increase tuition fees, they were forced by their Whips to do completely the opposite when they were in government. Equally, Conservative Members who stood on a platform opposing the alternative vote were forced by the Whips to vote for a Bill on a referendum for the alternative vote system.

Let me give a personal example of Whips' tactics. In the last parliamentary term, on 30 March 2011, a Whip sent out an e-mail, which I will read out:

> "I regret to have to inform colleagues that we are all required tonight after 7pm on a strict 3-line whip with respect to a Motion by the Leader of the House to which an amendment has been tabled by Mr Peter Bone and others so it is now votable. Unless you have previously been slipped by me, your presence is required."

The e-mail was sent out to every Conservative Member of Parliament. Not only did it cause great embarrassment, but it was factually incorrect and misleading—another example of misinformation. The e-mail received an understandably negative response from my colleagues, including a Minister who had to return from an important meeting because of the Whip's action. After I contacted many of my colleagues and explained the true situation, they were appalled that the Whips had ever sent out such an e-mail. What was so outrageous was that the Whip was trying to influence Members of Parliament about a matter relating to House of Commons business which was of no concern to the Executive and entirely the responsibility of Parliament. Of course, though, that is insignificant compared with some of the other episodes in which the Whips have involved themselves.

[Mr Bone]

That is not to say that all Whips behave in such a manner, and nor is it to say—this is a response to an earlier intervention—that the Whips do not perform useful functions, but it is the Whips Office that performs those useful functions. We do not need Members of Parliament to be Whips. We can get civil servants, who are currently employed in the Whips Office anyway, to carry out the administrative necessities. There is nothing that the Whips do that could not be done by civil servants, if there was a business of the House committee. The only thing left for them to do would be the strong-arming tactics of trying to tell people how to vote.

Dr Wollaston *rose—*

Mr Nuttall *rose—*

Mr Bone: Oh, ladies first.

Dr Wollaston: I thank my hon. Friend. In these challenging financial times, has he estimated how much this would cost the taxpayer, and does he think that it would deliver value for money?

Mr Bone: My hon. Friend hits on a good point that I am going to deal with a little later. Clearly, though, the system does not provide value for money at the moment.

Mr Nuttall: The Whips Office would submit that it performs another function—a pastoral role for Members of Parliament. Does my hon. Friend agree that that role could be undertaken by the parties—for example, by the parliamentary Labour party or the 1922 committee? Does he think that they could perform that pastoral role?

Mr Bone: My hon. Friend raises an important point that has been used as the sole argument for keeping the Whips Office. If a Member of Parliament is suffering from a problem with which they need serious help, the last person they will want to go to is their Whip. Their party might even be the last people they would want to go to. Instead, they would want to see an independent professional, and such a person should be available in the House of Commons. It would be a huge improvement, not a setback.

Mr Umunna: Is the hon. Gentleman suggesting that we put in place a system of counselling for Members of Parliament?

Mr Bone: Now Madam Deputy Speaker—no, I am not going down that route. I am saying that professional help should be made available, as it is in any other organisation, through human resources, for people having serious problems. We all know that if we were in a big company, there would be somebody in that company who would either provide professional advice or get us to the right person, but we do not seem to have that in the House of Commons. Given the enormous pressure we are all under, that is rather surprising.

Another argument for the Whips Office is that it channels the views of Members of Parliament back to the leadership. Well, it certainly does that! But, of course, all the parties have vocal and successful Back-Bench committees. In my party, it is the 1922 committee. The Labour party has the PLP. It channels views back to the leadership, and I do not see why that function needs to be duplicated by the Whips. The role of the Whips could be made redundant quite easily. The public are crying out for a change in how Parliament operates: they want less power given to the Executive and they want Members who represent their views and use their own judgment, rather than acting as Lobby fodder to rubber-stamp the decisions of the Executive and blindly following the leadership's view without even knowing what a Bill is about.

The Government's recent initiative on debating and voting on e-petitions demonstrates their wish for a stronger Parliament and more scrutiny. Well done, again, to the Government! However, if these petitions are to be successful, there must be no whipping. What is the point of introducing an e-petition to Parliament that hundreds of thousands of people have signed, if the decision is to be made not by individual Members of Parliament using their own judgment, but by Members following the party Whip? I hope that e-petitions, at least for Government Members, will be subject to free votes.

The public want Members of Parliament who take their time to understand the issues being debated, who vote according to their conscience and who have at least some independence of spirit. Therefore, despite the recent scandals—or perhaps because of them—Parliament needs to be strengthened. I argue strongly that my Bill would benefit our democracy hugely, by ensuring a proper separation of the Executive and Parliament while still keeping part of the Executive in Parliament. The danger of not doing so is that we would end up with a US-style settlement, as some hon. Members want, where the Executive are outside Parliament.

However—to address the point that my hon. Friend the Member for Totnes made—that would not be the only benefit; there would also be a huge benefit to the British economy. The public, having followed recent events, have become increasingly irritated by the scale of expenditure in Parliament. By abolishing the Whips' positions, we would be saving approximately £6.5 million per Parliament in ministerial salaries—a quite astonishing amount. One of the reasons, the Executive say, why the number of MPs is being cut is to save money. Alongside the well-thought-out plans to reduce the number of Members, surely we should at least make some effort to reduce the size of government as well. It should be remembered that Whips are in fact Ministers. By getting rid of Whips, we would be reducing the number of Ministers; we would, in fact, be supporting smaller and better government.

Although I like to think that my argument about preserving the democratic heritage of Parliament is enough to win the day, I understand that there are those who feel that, as my hon. Friend the Member for Wycombe (Steve Baker) said, nothing would get done if parties did not organise their Members sufficiently strongly. In other words, business would not go through the House and everything would grind to a halt. I say that we should look to the other place. Of course the other place has parties too—it also has Cross Benchers—but its Members are far more independent-minded and far more likely to vote against the party Whip, and yet

nobody would seriously suggest that this Chamber does a better job of scrutinising legislation than the other Chamber.

Mr Umunna *rose—*

Mr Bone: Let me just finish this point.

If the other place improves scrutiny by having less whipping, surely having no whipping would improve our legislation enormously. *[Interruption.]* Has the hon. Gentleman now been advised by his Whip not to intervene?

Mr Umunna: No. I simply wanted to make the point that the other place has Whips too.

Mr Bone: Indeed it does, but I am abolishing those as well. The hon. Gentleman should not worry about that; there is no problem there.

In concluding my opening remarks—

Mr Chope: Before my hon. Friend finishes, let me say that I am absolutely delighted with his speech. I am sure that my decision not to go any further with the National Health Service Redress (Amendment) Bill was a wise one, because otherwise we would have been deprived of his contribution. Does he think that his Bill could be summed up as a deregulatory Bill, replacing regulation with self-regulation?

Mr Bone: My hon. Friend is absolutely right, and as usual he is at one with the Prime Minister in wanting deregulation.

Let me finish by quoting the words of a man who has the best interests of our democracy and our country at heart. This man said:

"We will give the House of Commons more control over its own timetable so there is proper time for scrutiny and debate. We will make MPs more independent, with more free votes so that they can vote as they wish and not as they're told to."

Those are words of our new Prime Minister, uttered in 2009 in his powerful speech about rebuilding the connection between Parliament and the people. He has already done much by giving us the Backbench Business Committee, ensuring the election of Select Committee Chairmen and promising to set up a business of the House committee by 2013. I am moving the Second Reading of this Bill today to help the Prime Minister achieve his aims.

2.19 pm

Helen Jones (Warrington North) (Lab): I congratulate the hon. Member for Wellingborough (Mr Bone) on getting his Bill debated and on the characteristically entertaining way in which he has discussed it. I think the only person that we did not hear mentioned was Mrs Bone, so, as we have not heard about her for a long time, I want to send her our best wishes before moving on to the substance of the Bill. I shall also try to be brief because I know that the Deputy Leader of the House wants to speak as well, although there is much to be said.

It was entertaining to hear of the cowing effect that the Whips seem to have on those on the Tory Benches. When I was a Labour Whip, it did not seem to work like that at all; the situation was quite the reverse, in fact. I am peculiarly qualified to discuss the hon. Gentleman's Bill, in that I was Parliamentary Private Secretary to my right hon. Friend the Member for Bristol South (Dawn Primarolo) in her previous incarnation as a Minister, a rebel on the Government Back Benches and then a poacher turned gamekeeper as a Whip. I was therefore interested to hear what the hon. Gentleman said today.

The Bill would have the effect of disqualifying all Government Whips, the Opposition Chief Whip and the assistant Opposition Whips from membership of the House. Interestingly, it does not seek to disqualify the Opposition deputy Chief Whip or the third person in the Opposition Whips Office who receives a salary and who is usually, but not always, the pairing Whip. I assume that those people would be left here to run amok and do as they wished. Meanwhile, the Opposition assistant Whips, who are not paid, would be subject to disqualification.

The problem with the Bill is not simply that it is defective, but that it is wrong in its intent. It is bizarre, at a time of growing pressure on Ministers to become more accountable to Parliament, that the hon. Gentleman should seek to ensure that one group of Ministers should no longer be accountable to Parliament at all. That is what his Bill states, although of course that is not his real intention. His real aim, as he stated very clearly, is to get rid of Whips altogether. Most of his argument seems to be based on fictional characters from "Yes, Prime Minister" and on a strange belief that people who have fought to become Members of Parliament by scrambling over everyone else to get selected and elected are so wet that one word from their Whip will turn them into quivering wrecks who will do exactly as they are told. That is just wrong.

MPs may choose to break the Whip. That is a choice that many in this House have had to make on occasions, and sensible people know that, if they do that, consequences will follow. We cannot have everything in this life. I remember being threatened with the loss of my career, which was not much of a threat as I did not have a career to threaten at the time—it took me 11 years in this House to become a promising newcomer—but that is the price we pay if we break the Whip. We are all grown-ups, and we know the price.

More importantly, we are also products of a party political system. When the hon. Gentleman goes back to his constituency, the people there know that he represents the Conservative party—at least for some of the time. Similarly, the people in my constituency know that I am a Labour Member of Parliament. I assume that, like me, he stood for election on his party's manifesto. The party political system in this country is frequently denigrated, but I want to make an argument for it, because it gives people at least a general idea of what they are voting for—unless they support the Liberal Democrats, in which case they usually get the opposite of what they vote for. This is not to say that politicians do not have to react to events or that the manifesto covers every eventuality, but, in broad terms, party politics defines common approaches to problems. There is a good argument for greater scrutiny in the House, particularly on the Report stages of Bills, but if that is what the hon. Gentleman wants, he should concentrate not on the whipping system but on the timetable.

I repeat that Members of Parliament are not sheep. It was certainly not a word that we used when I was in the Whips Office. My right hon. Friend the Member for

[Helen Jones]

Newcastle upon Tyne East (Mr Brown), the Chief Whip under whom I served, referred to the parliamentary Labour party as "the body of the kirk". He used to tell us to get out among the body of the kirk, not the flock.

The hon. Member for Wellingborough should not pretend that we do not have party politics in this country. The alternative to party politics is a system based on personalities. I do not mean that Members of Parliament do not have personalities—I have been a Member of Parliament long enough to know that they do, and the hon. Gentleman is a fine example of that. However, systems that are based on personalities, not parties, tend to lead inexorably to campaigns that are based on personal wealth. The reason for that is simple. People seldom get elected to the House as independents without personal wealth, although there have been one or two notable exceptions.

The long-term effect of the Bill would be to move us in precisely the opposite direction to the one that most of us wish to take—it would lead to the politics of personality rather than politics based on issues. We have already gone too far in that direction, and we should move away from it, not towards it.

I listened to the hon. Gentleman's comments with great amusement, and I feel terribly sorry for Tory Back Benchers if they are so frightened by their Whips, but I cannot support the Bill.

2.26 pm

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): I am delighted at least to start to respond to the hon. Member for Wellingborough (Mr Bone) and his Bill. I am grateful to the hon. Member for Warrington North (Helen Jones) for her comments. She said that she was a rebel against her Whips before being dragooned into their service. I suppose that I have a similar background in that I fear that I did not endear myself to my then Whips over the Lisbon treaty, but I seem to have recovered at least some favour with the party since then.

I am grateful for the way in which the hon. Gentleman introduced the Bill, because he went out of his way to express his admiration and gratitude to our colleagues who form the current Whips team. He also justifiably made a great deal of the Government's progress in re-enfranchising Parliament and making it more effective and more able to look after its interests rather than simply being the instrument of the Executive. One of the abiding features of recent Parliaments was restrictions, not only on the House's structures, but through timetabling. Having lived through 13 years of a Labour Government, knowing exactly what happened then, and given the comparative freedom we now have to consider legislation, I was amazed to hear the hon. Member for Warrington North talk about the time available for Bills.

There have been genuine improvements. As the hon. Member for Wellingborough has said, one such improvement goes beyond anything else—the creation of the Backbench Business Committee, on which he serves with such distinction. There is also the promise of more to come, such as our commitment as a Government to introduce a full business of the House Committee.

I have just enough time to say how much I respect the right hon. Member for Derbyshire Dales (Mr McLoughlin), my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) and the right hon. Member for Uxbridge and South Ruislip (Mr Randall) and their team. Working with them in the past 18 months has been an absolute pleasure—an unexpected pleasure, because I did not know the extent of the co-operation and sensitivity that I could expect from the Parliamentary Secretary to the Treasury, the Comptroller of Her Majesty's Household and the Treasurer of Her Majesty's Household.

The understanding of and fellow feeling for Back Benchers that they have shown have been a revelation to me, and they were clearly recognised by the hon. Member for Wellingborough, who has not been cajoled, threatened or bullied but has, by a simple process of persuasion, found himself able to accept the advice of the Parliamentary Secretary to the Treasury—

2.30 pm

The debate stood adjourned (Standing Order No. 11(2)).

Ordered, That the debate be resumed on Friday 21 October.

Business without Debate

REPORTING OF INJURIES, DISEASES AND DANGEROUS OCCURRENCES REGULATION BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

ALCOHOL MARKETING BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 21 October.

NATIONAL PARK AUTHORITIES BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

ROAD SAFETY BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

SECURED LENDING REFORM BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 16 September.

SAFETY OF MEDICINES BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 21 October.

CARERS AND EMPLOYMENT BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 3 February 2012.

ACTIVITY CENTRES (YOUNG PERSONS' SAFETY) (AMENDMENT) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

LOW HAZARD WORKPLACES (RISK ASSESSMENT EXEMPTION) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

SELF-EMPLOYMENT (RISK ASSESSMENT EXEMPTION) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

HEALTH AND SAFETY CONSULTANTS (QUALIFICATIONS) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

TRIBUNALS (MAXIMUM COMPENSATION AWARDS) BILL

Resumption of adjourned debate on Question (17 June), That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 25 November.

PUBLIC BODIES (DISPOSAL OF ASSETS) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

VOLUNTEERING BILL

Resumption of adjourned debate on Question (10 June), That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 25 November.

MEDICAL INSURANCE (PENSIONER TAX RELIEF) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 25 November.

Croydon City Status Bid

Motion made, and Question proposed, That this House do now adjourn.—*(James Duddridge.)*

2.34 pm

Gavin Barwell (Croydon Central) (Con): I am grateful for the opportunity to make the case for Croydon to be granted city status. Before I begin, let me apologise to the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), for detaining him here in Westminster when he would obviously prefer to be on his way to the constituency that he serves with such distinction. I know that, in replying to my speech, he will not be able to comment on the merits or otherwise of my case. The decision is ultimately one for Her Majesty. I know too that he has already replied to other debates attended by hon. Members representing what I would argue are less well qualified towns, so I hope that it is some consolation that he did not have to prepare a fresh speech for today's debate.

Croydon is not just the town that I represent in the House; it is my home. My parents moved there when I was a few months old and I have lived there ever since. Perverse as it may sound to those who know Croydon by reputation only, I cannot think of a better place to live. It is part of the greatest city in the world, but it is also a city, in all but name at the moment, in its own right. It is 15 minutes from central London and on the doorstep of the beautiful north downs. It has great schools, libraries, shops, theatres, restaurants and bars, a rich history and above all a wonderful mix of people who have come from all over the world to make the place their home.

I have had the privilege of representing Croydon in this House only for just over a year. I am, therefore, as they would say in America, very much the junior MP for Croydon. My hon. Friend the Member for Croydon South (Richard Ottaway) and the right hon. Member for Croydon North (Malcolm Wicks) have both represented the town for nearly 20 years. Neither is able to be here today, but they have both asked me to put on the record their support for the case that I am making.

Over the summer, Croydon has been in the news for all the wrong reasons. One month ago yesterday, a few hundred people, many of them, it is now clear, not from Croydon, looted businesses and set fire to historic buildings along London road and the Purley way, and in Old Town, south Croydon and New Addington. Of course, we were not the only part of the United Kingdom to witness such behaviour, but many will long remember the images of that night: the House of Reeves furniture story burning, and Monika Konczyk jumping from a first-floor window were images of my town.

The damage—the historic buildings that were destroyed, the blow to the town's reputation or the simple knowledge that living among us are a tiny minority who chose to do such things to their own town—cannot be undone, but set against that damage are the positives that have emerged from the ashes at Reeves Corner and on the London road: the thousands of people who helped with the clean-up or gave money to help businesses to rebuild; the dedication of the public servants who have housed the homeless, put out the fires, identified the guilty and brought them to justice; the way in which our courts have reflected public sentiment that a clear message has to be sent to those responsible; and above all, the renewed sense of pride in our town, that this is our home, that it has a lot going for it and that we will not less the wreckers win.

That is why I am here today. If the granting of city status were just an ego boost for the local council, it would not be worth fighting for, but that is not what this is about. It is about getting long overdue recognition of Croydon's true status and, even more important, about raising its profile and giving the town a much needed boost as we rebuild.

So what is our case? The Department for Culture, Media and Sport website is wonderfully vague about the grounds on which Her Majesty will make the decision. It points out that city status has never

> "been a right to be claimed by places fulfilling a list of criteria",

but it does refer to age, history and associations with royalty, so I will start there.

Croydon sits in a valley between the Crystal Palace escarpment and the northern slopes of the north downs. There is evidence that the valley was inhabited during the bronze age, with a barrow on the top of Croham Hurst, and that it was occupied in Roman times, but the name Croydon is almost certainly of Anglo-Saxon origin meaning "valley of the crocus". It is due south of London and just north of a natural gap in the north downs, and hence it became a natural stopping off point on the route from London to the south coast.

In 871, the King granted Aethelred, the Archbishop of Canterbury, a charter for land in what is now Old Town and that began a long association between Croydon and the See of Canterbury. The Domesday Book records Archbishop Lanfranc as the lord of the manor in 1086, which then consisted of a church, a mill and 365 people. In 1276, King Edward I granted a charter for a weekly market and that spurred the development of the town. By the 16th century, the manor house had become a large palace that was the summer residence of the Archbishops of Canterbury. A number of monarchs, including Henry VII, Henry VIII, Mary and Elizabeth I, are known to have visited the palace.

In 1781, the palace was sold—parts of it survive today as Old Palace of John Whitgift school—and a new palace was built at Addington, whose grounds were landscaped by Capability Brown. That continued as the summer home of Archbishops until 1898. In total, 11 Archbishops are buried in Croydon, either in Greater London's only minster, next to the old palace, or at St Mary's church in Addington village.

Archbishop John Whitgift left a particular mark on the town. He petitioned Elizabeth I for permission to set up a hospital and school for the "poor, needy and impotent". In 1599, the hospital of the Holy Trinity was completed and it survives today at the centre of the town as the almhouses, run by a charitable foundation named after John Whitgift which also runs three schools, a residential home and a nursing home. I should declare an interest: I am a governor of that charity. Her Majesty visited the almshouses on 21 June 1983.

The spur for the transformation of Croydon from small Surrey market town to the heart of south London, which is what it is today, was the development of the railways. In 1803, the Surrey Iron railway from Wandsworth to Croydon opened; it was the world's first public

railway. It was followed by the London and Croydon railway linking London Bridge and West Croydon in 1831, and the London, Brighton and South Coast railway in 1860. That led to a population explosion with a 23-fold increase in population between 1801 and 1901 and Croydon's incorporation as a borough in 1883.

Croydon also played a key role in the development of air travel. It was home to London's main airport from 1920 until 1952 and was the first place in the world to use air traffic control. Amy Johnson embarked on her historic solo flight to Australia from Croydon. The town also played a key role in world war two. Croydon airport was the target of the first German raid on the capital, and it was from Croydon—Kenley airfield in the south of the borough and Biggin Hill just over the border in what is now Bromley—that "the few" took to the skies to defend our country during its "darkest hour." The town suffered substantial damage in the war and afterwards twinned with Arnhem in Holland, which had suffered similarly during Operation Market Garden. The 1950s and 1960s was a time of great rebuilding, with skyscrapers, a flyover and an underpass leading to the "mini-Manhattan" nickname and giving the town its current form and character.

There is much more to Croydon than many people know, therefore: Anglo-Saxon origins and a strong association with the See of Canterbury and royalty, as well as being a key location in the development of the railways and aviation, and playing an important role in the second world war. Being a city, however, is about more than just having a rich history. The "Oxford English Dictionary" tells us that a city is:

"A title ranking above that of 'town'."

Although a few places that have been granted city status in the past are fairly small today, most cities have large populations. On that test, Croydon is clearly best qualified of all the applicants. It is home to more than 340,000 people—more than in Belfast, Cardiff, Coventry, Newcastle, Nottingham or Southampton. Indeed, of the 66 existing UK cities, only nine have a larger population than Croydon. It is as big as Bilbao or Nice; indeed, we believe it to be the largest town in the whole of western Europe.

People also think of cities as commercial hubs, and Croydon has more than 8 million square feet of office space and more than 10,000 employers. It is home to dozens of blue-chip companies, including Nestlé, Mott MacDonald, BT, Barclays and AIG, and the local authority has the fifth highest business rate yield in the country. That gives some feel of the scope of the business centre.

Croydon is also a huge transport hub. There are 17 main line stations in the borough. The key station is East Croydon, from which there are 27 million journeys annually, making it the fourth busiest station in the country outside central London. Croydon is within a 15-minute journey of the west end and the City of London, and has excellent connections to Gatwick airport and the south coast by rail. Under our Mayor of London, the East London line extension was recently completed, adding Croydon to the tube map and giving excellent connections to the docklands. Croydon is also set apart from some of the other applicants, in that it is a transport hub in a number of ways. The tram system that was opened in 2000 connects large areas of south London, with Croydon at the hub, and there are more than 28 million journeys a year on that network. In short, it is one of the best connected places in the country, with a similar number of people coming into Croydon each day to work as the number commuting out to London.

Another characteristic that one expects of a city is that it is a public services hub. There are more than 155 schools in the borough, including some outstanding state schools such as Coloma and the Harris Academy in Crystal Palace, which was one of the first city technology colleges. There are also some outstanding independent schools. I referred earlier to the Whitgift Foundation and its three schools, Whitgift, Trinity and Old Palace. There is also the Al-Khair school, a high-performing Islamic school. There is the BRIT school of performing arts, too, whose graduates include Adele, Amy Winehouse, Jessie J, Katie Melua and Leona Lewis. Croydon College is one of largest further education colleges in the south-east, and is shortly hoping to open a university centre so that young people in south London can get a degree from the University of Sussex while studying at home and paying tuition fees well below the level that many universities are now charging. We have an excellent hospital in Croydon university hospital and the third busiest public library in the UK.

Another feature that marks out cities is outstanding leisure facilities. Indeed, the Government guidelines say:

"Ministers take the view that the places to be honoured with city status...should have supplied convincing evidence of their ability to welcome people into their areas and to provide, promote or facilitate access to a wide variety of places, activities and events."

Croydon is home to Fairfield halls, one of the best concert halls in the country. Fairfield halls is the home of the London Mozart players, an outstanding chamber orchestra whose patron is His Royal Highness Prince Edward. A mark of the repute of the concert hall is the fact that over the past five years, people have purchased tickets from Fairfield halls from all but two of the main postcodes across the United Kingdom. This is not just a local venue for people in south London but one that people from across the country frequent. We also have the Warehouse theatre, which puts on its own shows and has an annual playwright festival. Croydon is the home of dubstep music, a new genre of music that was created there.

We also have outstanding green spaces, parks and open spaces. Ten parks in Croydon have been awarded the prestigious green flag award and the Royal Horticultural Society recently voted us the UK's greenest "large city". In sports, Croydon is home to Crystal Palace football club—south London's greatest team—although at the moment, sad to say, that is not necessarily the greatest accolade. Surrey county cricket club play some of their games at Whitgift school and just on our border we have Crystal Palace national sports centre.

There is more than 2.5 million square feet of prime retail space in the town, £1 billion of annual retail turnover and more than 800 restaurants, bars and clubs. On all the tests of the town's being a hub for retail, employment, transport and public services, Croydon clearly passes.

Another test for a city is a thriving voluntary sector. There are several thousand voluntary groups in Croydon and some 50,000 people give time as volunteers each year. I want to take a moment to name a few of the groups that are active in my part of the town and that

[Gavin Barwell]

do a wonderful job. We have a huge range of local residents' associations but I want to single out in particular the work done by "People for Portland Road" for the community in south London and the new pathfinders group that has been set up to take forward the regeneration of New Addington.

There are also all sorts of service-based local voluntary groups. Like many towns, we have a thriving Crossroads group and a week on Sunday I will be doing a walk around my constituency boundaries to try to raise some money for that excellent charity, which provided outstanding help to my family when my father was sick with Alzheimer's disease. There are also many voluntary groups that support the diverse communities we have in our town. I recently had the pleasure of going to the annual celebrations of the Kerala cultural and welfare association, which provides support to the strong Keralese community in our borough.

One clue that the Government's guidelines give is that the successful applicant should have a "vibrant, welcoming community". Croydon clearly passes that test. People from all over the world have chosen to make it their home, nearly 40% of the population is from a black or minority ethnic community and more than 100 languages are spoken in the borough. All of the world's major faiths are practised in the town. What was until recently Croydon parish church, which was rebuilt in 1870 by the great Victorian architect Sir George Gilbert Scott, was recently dedicated as Greater London's only minster in recognition of the wider role the church plays not just in Croydon parish but across south London. There is also Croydon masjid and Islamic centre and several other mosques, several Hindu temples, a synagogue and Croydon gurdwara.

Croydon has more young people than any other London borough and it is home to people of all backgrounds, with some of London's most deprived neighbourhoods and also, in the Webb estate and Shirley Hills, some of its most expensive housing. There is a sharp contrast among the northern districts of Norbury, South Norwood and Thornton Heath, with their densely packed Victorian and Edwardian residential streets, the southern areas of Shirley, Selsdon, Sanderstead, Purley, Kenley and Coulsdon with their commuter-belt semi-detached and detached homes, and the town of New Addington, which I am hugely proud to represent, built on top of the north downs after the second world war as homes for returning heroes.

Taken together, these four factors make Croydon a diverse, vibrant place to live which is, or has been, home to people such as business man Sir Philip Green, model Kate Moss, artist Tracey Emin, film director Sir David Lean, composer Samuel Coleridge Taylor, footballer Ian Wright, Wilfred Wood, Britain's first black bishop, and a former Speaker of this House, Lord Weatherill, who represented Croydon for 28 years with great distinction. People often talk about the country, or parts of it, being tolerant, but toleration is not the right word in this context. I do not tolerate the fact that people have come from all over the world to make it their home—I celebrate it and think it is one of the great strengths of our town.

As well as having a lot going for them, cities often also have problems—urban living is not perfect. Most cities around the world have issues that need to be addressed and the same is true of our town. We suffer from congestion, and recent events a month ago demonstrated the problems of gang culture that we need to tackle as a community. Also, much of our 1950s and 1960s architecture and urban planning is now in need of renewal. The council has great plans in place to address all those problems, but it is important to put them on the record.

I hope it is clear from what I have said thus far that Croydon is a city in all but name and that if it were not a part of London it would formally have been made one years ago. It is on this rock that past bids for city status have failed. We are part of London so how can we apply to be a city ourselves? Let me make it clear to my hon. Friend that this bid is not a declaration of independence from London. We are proud to be part of our great capital city, but we also believe that we are more than just a suburb of London: we are a city in our right within the world's greatest city. London already has two cities—the City of London and the City of Westminster—and it seems to me that there is no reason why it cannot have a third. The Mayor of London agrees. He says:

> "My ambition for London to continue to dominate world enterprise would certainly be furthered by the addition of a third city, and having this at the heart of south London would bring much needed investment south of the river Thames".

We believe that we meet the key test in the Government guidelines of having a "distinct identity". Look out on south London from the top of the Crystal Palace escarpment and Croydon literally stands out. It is a hub for south London and the near south-east—a city in its own right on the edge of a larger city, similar to Jersey city's relationship with New York.

That then is our case. Croydon is rich in history, is larger than most existing cities and is a centre for employment, shopping, public services and leisure facilities. It is one of the best connected places in the country and is a vibrant place that is home to people from all over the world with a strong sense of community. It is not without problems but is brimming with potential; it is part of the world's greatest city but is clearly a city in its own right. On 17 August, His Royal Highness Prince Charles and the Duchess of Cornwall visited the town to see the damage done by rioters, and their visit was deeply appreciated. Early next year, Her Majesty will have the chance to help us in our recovery by recognising my home town for what it is—London's third city.

2.52 pm

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): I congratulate my hon. Friend the Member for Croydon Central (Gavin Barwell) on securing the debate and I thank him for his kind words at the beginning. Rather than being a chore to be here, it is a great pleasure to listen to him set out the case for his home town. As he said, he follows our hon. Friends the Members for Reading West (Alok Sharma), for Southend West (Mr Amess) and for Gillingham and Rainham (Rehman Chishti) in securing an opportunity to set out the case for their areas' hopes of winning city status in the diamond jubilee competition for civic honours. I learned many things in those debates and I have learned many things about his area today. I know that you, Madam Deputy Speaker, have chaired these debates before and I suspect that both you and I will be here

again as other hon. Members seek to make the case for their areas. In that process, we learn about our United Kingdom.

I confirm that Croydon's entry into the diamond jubilee competition for civic honours has been safely received. It is one of 25 entries seeking city status and there are also 12 entries seeking lord mayoralty status for existing cities. The level of interest and enthusiasm in the competition shows how much the country is looking forward to celebrating Her Majesty's diamond jubilee in 2012 and how attractive these civic honours are to local communities. I know that my hon. Friend understands, as do other hon. Members, that I cannot possibly endorse Croydon's aspirations, just as I had to remain neutral in those other debates. Ministers have to remain impartial to ensure that city status continues to be a real honour that is fairly bestowed and to ensure that the diamond jubilee competition continues to be a real competition. Fairness is crucial because, as my hon. Friend said, there are no hard and fast criteria for becoming a city. It is an honour granted by the sovereign, nowadays following a competition, as a rare mark of distinction for an area. Reasons for success or failure are never given, and city status is not, and never has been, something that towns can claim by just ticking off a list of hard and fast criteria. The reason for that is fairly obvious.

Any attempt to draw up a list of criteria to capture the nature of existing UK cities would run into difficulties. Some are large, some small. Some have conspicuously attractive and well laid out city centres; that applies less to others. Some have wonderful cathedrals, universities, airports, underground systems or trams; some do not, but boast a vibrant cultural life. We have described some of the criteria and qualities that we would expect a new city to have. My hon. Friend set out some of them: a vibrant, welcoming community, an interesting history and a distinct identity.

My hon. Friend set out his and Croydon's case very well. He reminded us that Croydon Central—his constituency—and Croydon are not just his constituency, which he has represented since the general election, but also his home, which I believe he represented as a councillor for a considerable time. From his speech it was obvious that he knows his town very well, and will continue to represent it very well in the House. I can assure him and his constituents, and all those in the rest of the town, that Croydon's entry will receive a thorough, impartial appraisal of its merits alongside the other entries. The assessment process in the competition is under way, and the plan is to announce the results early next year, at the start of Her Majesty's diamond jubilee year.

Question put and agreed to.

2.56 pm

House adjourned.

House of Commons

Monday 12 September 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Police Numbers

1. **Nick Smith** (Blaenau Gwent) (Lab): What estimate she has made of the change in the number of police officers during the comprehensive spending review period. [70925]

13. **Rachel Reeves** (Leeds West) (Lab): What her policy is on the future size of the police officer work force. [70938]

The Secretary of State for the Home Department (Mrs Theresa May): With permission, may I briefly update the House in relation to the appointment of the new Metropolitan Police Commissioner? The Mayor of London and I conducted interviews with the candidates this morning, and I expect to make a recommendation to the palace later today.

We have set a challenging but manageable funding settlement for the police service. It is a matter for the chief constable and the police authority in each force to determine the number of police officers that are deployed within the available resource.

Nick Smith: May I thank the Secretary of State for her response? Will she congratulate Gwent police authority, which was recently assessed by inspectors as performing well? Can she explain why more than £100 million will be spent on elected police commissioners, given that there is no guarantee that such performance will be sustained, let alone improved, with them? Would not the money be better spent on keeping more police on our streets?

Mrs May: If the hon. Gentleman is going to ask questions like that, he really should get his figures right, because of course, the figure to be spent on police and crime commissioners is not £100 million. I am happy to join him in congratulating Gwent police. I had a very good meeting the other day with the chief constable of Gwent police, who is the Association of Chief Police Officers lead on matters relating to domestic violence. He talked about some of the excellent work that Gwent police had done on that.

Rachel Reeves: With savage cuts to West Yorkshire police, including 750 fewer police officers and up to 1,500 fewer support staff, how does the Home Secretary think that tackling burglary in Leeds will be improved over the next few years?

Mrs May: In relation to policing, we are ensuring not only that police have the tools and powers that they need to deal with issues out on the street, but that they are freed up from a lot of the bureaucracy that was introduced by the previous Government, which kept too many police officers behind desks and not out on the streets.

Mr David Ruffley (Bury St Edmunds) (Con): Will my right hon. Friend assure me that she will not be seduced by the argument that, inevitably, more police officers means more visibility? The fact remains that there are more police on patrol on Monday morning than on Friday night, and that only 12% of officers are available at any one time to be visible to the British public. Will she tell the House what she will do to ensure that we get visibility from existing police numbers?

Mrs May: I thank my hon. Friend for his comments, and he is absolutely right. He has put particular focus on this issue over the years and has looked into it in some detail. It is not just a question of numbers, as it is often portrayed by Opposition Members; it is about how police officers are deployed. It is about getting them out on the streets at the time that they are most needed. As my hon. Friend has seen in the past, a lot of that is about reducing the bureaucracy that police officers deal with, reducing the targets, and letting them get out there on the streets.

Mr Philip Hollobone (Kettering) (Con): Is the Home Secretary aware that, in Northamptonshire, the chief constable is transferring police officers from the back office to the front line, that the visibility of police on patrol will go up, and that crime is falling?

Mrs May: I am grateful to my hon. Friend. Indeed, I had a very good visit to Northampton recently and saw some of the excellent work being done by the police there. I heard directly from the chief constable what he is doing to ensure, as my hon. Friend says, that he cuts back-office work for police officers and gets them out on the streets, which results in the impact that the public want—they want to see people out on their streets.

Keith Vaz (Leicester East) (Lab): May I welcome the fact that the Home Secretary and the Mayor of London have agreed on their choices for the name of the next Metropolitan Police Commissioner?

When the CSR was agreed, there were no disorders in London, but the acting commissioner has said that the thin blue line was very thin during the recent disorders. If a case is made for additional resources as a result of the various inquiries that are being conducted, will the Home Secretary revisit those figures?

Mrs May: If I may say to the right hon. Gentleman, I expect to be having a further conversation with the Mayor after Home Office questions, but I hope to be sending a recommendation to the palace, and I firmly expect to do so, later today.

In relation to the funding figures for the Metropolitan police, the right hon. Gentleman will know full well that we are providing support to it, and indeed to other forces, as a result of the riots that took place recently. However, I am pleased to say that the previous Metropolitan Police Commissioner was able to increase visibility with police on the streets within the resources he had, by the simple and effective method of moving from police patrolling in pairs to single-patrol policing.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): It is intriguing to discover that the Home Secretary and the Mayor have not yet agreed on the next Metropolitan Police Commissioner.

The previous question was about the comprehensive spending review. Her Majesty's inspectorate of constabulary estimated that 16,000 officers would be cut as a result of the CSR. Since then, the police have faced substantial additional costs of £125 million from policing the August riots. The Home Secretary has said that she is supporting the Met police and other forces, but the Minister for Policing and Criminal Justice said in his letter that this will be only

"where forces are not in a position to cover the costs of recent events themselves".

That leaves the police with no clarity at a time when their budgets are already being cut. Will she therefore now guarantee that no police force will have to cut any officers or services to pay for policing the riots, and will she stand by the Prime Minister's commitment to pay this extra money to the police?

Mrs May: It is absolutely clear—and has been made clear to police forces affected by the riots—that police forces should put in claims to the Home Office and that we will look at them. We will be looking at claims for operational costs and riot damage costs. On the right hon. Lady's first statement, however, I do not think that she should try to transpose on to this Government the sort of disputes that took place within the previous Government. As I understand, from reading the recent book by the former Chancellor, the right hon. Member for Edinburgh South West (Mr Darling), she even disputed the extent of the deficit—as she and other Labour Members appear still to do.

Yvette Cooper: I am afraid that the Home Secretary did not answer the question. She said that the Home Office is "looking" at the claims. That provides no certainty for the police or clarity for police budgets. Police officers are having to make decisions right now about making people redundant. The truth is that she is happy to find extra resources for elected police chiefs, but she will not find the extra money for the police. She is spending more than £100 million on elected police chiefs that no one wants when she could spend the same money on the costs of policing the riots or on 3,000 extra constables in Olympics year. Does she think that the public would prefer the money to be spent on elected police chiefs or on constables who will cut crime?

Mrs May: I think that the public want a Government who actually look after taxpayers' money, which is exactly what we will do. The police forces know that there is a process by which they can put in claims to the Home Office. Those claims will be properly considered, and as we have made clear, the Home Office will be making funds available in relation to the matters that the right hon. Lady has raised.

Police Panels

2. **George Eustice** (Camborne and Redruth) (Con): Whether she has considered bringing forward amendments to the Police Reform and Social Responsibility Bill to ensure that proposed police panels are representative of the geographical area they will serve. [70926]

The Minister for Policing and Criminal Justice (Nick Herbert): The Government have set out plans to ensure that police and crime panels are representative of the places they serve. We tabled an amendment to the Bill in another place, allowing many panels to co-opt further members. This will enable local authorities to address geographical imbalances.

George Eustice: I thank the Minister for that response and welcome the amendment, which is obviously a step in the right direction. However, he will be aware of the particular concerns of people in Cornwall that they might not get a fair geographic representation. What additional reassurance can he give that the Home Secretary will ensure that Cornwall is fairly represented on Devon and Cornwall police panel, and will he agree to meet a delegation from Cornwall council to discuss this issue?

Nick Herbert: I understand my hon. Friend's concerns—they have been put to me by other hon. Friends. The amendment that we moved in the other place will allow for the nomination of an additional five members to the panel. Approval for that will lie with the Secretary of State, although there must be regard to geographical balance. I hope and believe therefore that we can reassure the people of Cornwall that they will be properly represented on these panels.

Mr Denis MacShane (Rotherham) (Lab): The Minister will agree on what lies at the heart and success of British policing—it should be by consent, local and rooted in the community. That is why I welcome what he has just said. Will he also agree, however, that it is vital that our senior police officers have spent a year or two on the beat in the local community? Will he hit on the head these ludicrous press reports that the Government are thinking of bringing in an elite group of officers—super-duper graduates, Bullingdon club boys—to be slotted in straight away to run our police services? Policing should be local, and every chief constable should have served on the beat.

Nick Herbert: That is a travesty of the Government's position. We have asked Tom Winsor to consider these matters. The right hon. Gentleman should pay more attention to the views of the chief constable of Devon and Cornwall, which he expressed in an article in *The Times* today, co-written by me. He points out that the police have not made sufficient progress on diversity and that one way to address that might be to consider additional points of entry. We also point out that operational experience would be necessary.

Bogus Colleges

3. **David Morris** (Morecambe and Lunesdale) (Con): What recent progress she has made in tackling bogus colleges. [70927]

The Secretary of State for the Home Department (Mrs Theresa May): Since May 2010, the UK Border Agency has revoked the sponsor licence of 69 institutions. Our recent reforms of the student route include the introduction of new oversight provisions and a requirement for all sponsors to become highly trusted.

David Morris: In addition to the Government's new reforms of the student route, what enforcement action have the Government taken to tackle abuse in the student visa system?

Mrs May: The UK Border Agency has been active in relation to the new rules that have been introduced and is looking at a number of colleges. In addition to the licences of 69 colleges and education providers being revoked, the total number whose licences have been suspended—of which that 69 forms part—is 145. We take very seriously the need to monitor the obligations that we have set out.

Mr Frank Roy (Motherwell and Wishaw) (Lab): Has net migration increased or decreased over the last 12 months?

Mr Speaker: Order. I gently remind the Home Secretary that her answer should be pertinent in the context of tackling bogus colleges.

Mrs May: The most up-to-date figures do not cover the last 12 months. What we saw as a result of the last Labour Government's policies was net migration going up. Dealing with bogus colleges and education providers is part of our way of bringing it down.

Tom Brake (Carshalton and Wallington) (LD): The Government must, of course, tackle bogus colleges, but also minimise the impact of their plans on private organisations such as the Organisation for Tourism and Hospitality Management, which is based in my constituency. It cannot now provide work experience to students—often they are from the US—even though it has a good record of students returning at the end of their studies.

Mrs May: I thank my right hon. Friend for raising a specific case, which we will look at. We are very careful in the rules that we introduce. My hon. Friend the Minister for Immigration and I spend a lot of time listening to individual colleges and to representative bodies of colleges and education providers to ensure that we get it right. We want to ensure that people get a proper education when they are here. That is what our rules are focused on, but I would be happy to look at the case that my right hon. Friend has raised.

Student Visas (English Language Teaching)

4. **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): What recent assessment she has made of the potential effects on English language teaching centres of changes to the Tier 4 (General) Student visa accreditation scheme. [70928]

The Minister for Immigration (Damian Green): As part of our fundamental reforms to the student visa regime, we are tightening the system of educational oversight for institutions that bring international students to the UK. Colleges must have a satisfactory review by the end of 2012 in order to sponsor new students from overseas. That will have an impact on colleges that do not meet the high standards set by the inspection bodies.

Chi Onwurah: I recently visited International House in my constituency, where students from around the world acquire an understanding not only of the English language but of Newcastle's rich cultural heritage. However, the school faces a sharp drop in applications because of the changes, and in addition a 1,500% increase in the cost of accreditation. In these difficult times, should the Minister not be supporting legitimate schools and not trying to drive them underground?

Damian Green: Let me deal directly with the hon. Lady's question about accreditation. The previous system failed. It was not rigorous enough, so we are moving to more rigorous inspections, carried out by bodies that have previously inspected the sector, including the Independent Schools Inspectorate. It is vital that we get the inspection of colleges right; otherwise, respectable institutions that deserve to be able to carry on get muddled up with the bogus colleges to which my right hon. Friend the Home Secretary has referred, and that does nobody any good—neither the respectable colleges nor genuine students seeking to come here. I hope that the hon. Lady would welcome the fact that we have introduced a better and more rigorous inspection system.

Family Migration

5. **Jason McCartney** (Colne Valley) (Con): What steps she is taking to prevent abuse of the family migration route into the UK. [70929]

7. **Graham Evans** (Weaver Vale) (Con): What steps she is taking to prevent abuse of the family migration route into the UK. [70932]

The Minister for Immigration (Damian Green): The Government launched a consultation on family migration on 13 July. This sets out proposals for tackling abuse of the family route, including sham and forced marriages. It also contains proposals to promote integration and reduce burdens on the taxpayer.

Jason McCartney: Does the Minister agree that family migration must be based on a real and continuing relationship and not on a marriage of convenience or a forced marriage?

Damian Green: That is an important point, because sham marriages not only undermine our immigration system; they damage the institution of marriage. Forced marriage is, if anything, even worse. It represents a breach of human rights, and it is a form of violence against the victim. That is why we are proposing in our consultation to define more clearly what constitutes a genuine and continuing marriage for the purposes of the immigration rules, to help to identify sham and

forced marriages. We are also exploring the case for making sham a lawful impediment to marriage in England and Wales.

Graham Evans: Does the Minister agree that British citizens who cannot support their foreign partners should not expect the British taxpayer to do it for them?

Damian Green: My hon. Friend makes another good point. Part of our consultation involves ensuring that those who arrive here to get married come into a family that has sufficient means to support them. One of the problems that we inherited was the fact that the institution of marriage was being exploited to circumvent the immigration rules. In tightening up on this, we are not only restoring confidence in the immigration system but helping to bolster the institution of marriage. Both of those are extremely worthwhile efforts.

Fiona Mactaggart (Slough) (Lab): But is it not right that husbands and wives should be able to live together? Will the Minister assure me that spouses applying in countries with very few English language testing centres will not be kept apart from their spouses in this country simply because they cannot prove their competence in English? That is illustrated by the case of the wife of a constituent of mine who has been applying in Brazil for months to prove that she can speak sufficiently good English to join him here.

Damian Green: If the hon. Lady wishes to write to me about that individual case, I will take a look at it. We have established a network of testing stations around the world so that people are able to take the test. I hope that she will support the concept that, if people come to settle here, they should be able to speak English at a basic level so that they can integrate into British life. If they cannot do that, they can end up leading separate lives, which can cause many problems, especially in our inner cities.

Lisa Nandy (Wigan) (Lab): Does the Minister share my concern that refugee family reunion has been classified as immigration for the purposes of legal aid? Given that refugees are in exile and to be reunited with their families, they have no option other than to use the legal system here, will he make representations to the Ministry of Justice on this important point?

Damian Green: The hon. Lady makes an important point. I assume that she is talking about refugees who have already been all the way through the system. Obviously, while people are applying for asylum or for refugee status, our checks have to be more robust than they have been in the past so that we can be absolutely sure that those who benefit from refugee status are those who need Britain's protection, which we have always traditionally given and are happy to give. I will look into the details of the case that she has raised.

Efficiency (Police Forces)

6. **Stephen Barclay** (North East Cambridgeshire) (Con): What estimate her Department has made of the potential for savings to the public purse through back-office efficiencies within police forces. [70931]

The Minister for Policing and Criminal Justice (Nick Herbert): With permission, Mr Speaker, I will take this question together with question 10 on the Order Paper.

Mr Speaker: Order. If I am mistaken, I shall be happy to acknowledge it, but I thought that the Minister wished to group this question with questions 9 and 18.

Nick Herbert: Thank you, Mr Speaker. I am happy to group it with question 18 as well, if that is acceptable. [HON. MEMBERS: "And 9, not 10."] I said 10, then I realised that it has been moved to 9 because of a withdrawal: I apologise.

9. **Mr Geoffrey Cox** (Torridge and West Devon) (Con): What assessment she has made of the scope for increasing efficiency within police forces. [70934]

18. **Tony Baldry** (Banbury) (Con): What assessment she has made of the scope for increasing efficiency within police forces. [70944]

Nick Herbert: The Government are clear that police should be focusing on police work and not paperwork. Her Majesty's inspectorate of constabulary's report has shown how forces could save £1.15 billion, and there is scope for even greater savings.

Stephen Barclay: Cambridgeshire police currently have one inspector for every three sergeants, and one chief inspector or more senior grade officer for every inspector. Will my right hon. Friend join me in welcoming the chief constable's streamlining of senior officer grades in order to recruit an extra 50 officers in addition to the existing head count? Will he place a copy of the relevant information in the Library to allow us to benchmark the number of officers at each grade in each force?

Nick Herbert: My hon. Friend makes a good point. It is important that these kinds of overheads are reduced so as to protect the front line. I note that HMIC's recent report also congratulated the chief constable and the authority on committing to a strategic alliance with the Hertfordshire and Bedfordshire constabularies. That is exactly the kind of partnership that can help to drive savings and protect front-line services.

Mr Cox: Does my right hon. Friend agree that the unique office of constable is one that should be jealously safeguarded? Will he reassure me that in the drive for efficiency and in the implementation of the Winsor report, we will not throw the baby out with the bathwater?

Nick Herbert: I agree with my hon. and learned Friend about the importance of the office of constable and the independence that it preserves. He will know that the Winsor report, whose recommendations are currently being discussed, also recognised the importance of the office of constable.

Tony Baldry: For most of our constituents, efficiency is associated with visibility. Will my right hon. Friend take the opportunity to commend Sergeant Adrian Thomas and PC Paul Froggatt who last week ran a mile and a half and, without regard to their own safety, jumped into the Banbury canal to rescue a 71-year-old

lady who had slipped into it? With that sort of visibility evident within the Thames valley, it must be possible to have it in every other part of the country.

Nick Herbert: I am happy to join my hon. Friend in paying tribute to the police officers for their acts of bravery. I am sure the whole House would agree that many such acts of bravery on the part of our police officers and our police community support officers are going on every day. We see that reflected each year in the police bravery awards. I believe that many of us are humbled by the selflessness and heroism of our police officers.

Mr David Hanson (Delyn) (Lab): Given that the previous Labour Government planned efficiencies of about £1.3 billion—including on back-office staff, on procurement, on mergers such as the one between Hertfordshire and Bedfordshire, on overtime and on officer deployment—will the Minister be clear about where the extra £1 billion he proposes is going to come from, if not from officer numbers, like the 200 losing their jobs in north Wales?

Nick Herbert: First, I note that the right hon. Gentleman confirms that the Labour party is committed to reducing spending on police forces by more than £1 billion—but, of course, they did not deliver those savings when they were in government; it cannot be done without reducing the work force. We have identified additional savings, including those that will accrue from pay restraint, and indeed the £350 million a year that will accrue from better procurement of goods and services. In fact, the total savings are well over £2 billion a year.

Steve McCabe (Birmingham, Selly Oak) (Lab): Does the Minister welcome the news from Birmingham that officers are being taken off the street to answer the phone and deal with other administrative tasks? Is that the kind of efficiency that the Government are striving for?

Nick Herbert: The hon. Gentleman should know that, in police forces generally, a third of human resources are not on the front line. Well over 20,000 police officers are in back and middle-office positions, with a higher than average proportion of them in the West Midlands constabulary. It should be possible to drive savings while still protecting the front line. That is what we ask and expect chief constables to do.

Vernon Coaker (Gedling) (Lab): Given the Minister's numbering problems at the outset of these questions, he probably now recognises the importance of having a good back office.

I have read again a copy of the HMIC report, "Demanding Times", which was published in June 2011. He will know that a table on page 4 states that only 5% of police officers and PCSOs perform back-office functions, many of them necessary. With more than 16,000 police officers to be cut during the next few years of the spending review, does this not show what we already know—that there is and will be an impact on the front line from these cuts, with the loss of uniformed and neighbourhood officers and detectives?

Nick Herbert: First, I should say that what the hon. Gentleman mentioned at the outset shows that I need a better pair of glasses. As to his question, he always mentions the number of officers in back-office positions—the fact that there are thousands of them will, I think, surprise the House—but he never mentions the considerable number in middle-office positions, are not on the front line. I repeat that well over 20,000 officers are not on the front line, with 16,000 of them in the middle office. Savings can be driven while protecting front-line services—something that Opposition Members neither understand nor accept.

Health and Safety Regulation (Police)

8. **Mark Lancaster** (Milton Keynes North) (Con): What steps she is taking to reduce the burden of health and safety regulation on police officers. [70933]

The Minister for Policing and Criminal Justice (Nick Herbert): We have worked with the Association of Chief Police Officers, the Crown Prosecution Service and the Health and Safety Executive to publish new guidance, in order to support police officers to do the right thing by taking a common-sense approach to health and safety rules.

Mark Lancaster: As we have heard from my hon. Friend the Member for Banbury (Tony Baldry), some jobs are dangerous, and being a police officer is certainly one of them. As a bomb disposal officer, I have some empathy with a police officer who told me recently that by the time he has filled out the mountain of paperwork required for health and safety, all he has done is delay the point at which he gets on the street to do his dangerous job. Although I commend the Government on tackling this area, can we not do a bit more?

Nick Herbert: Working with police forces, we continue to attack bureaucracy. I pay tribute to the work of the chief constable of the West Midlands, Chris Sims, who drives these efforts by leading our reducing bureaucracy programme board. We have identified that 2.5 million police hours could be saved through improvements to form filling and other means of reducing bureaucracy. In addition to those substantial savings, we have already announced savings in relation to reducing the burden of the stop-and-account form, and scrapping the stop form, saving another 800,000 police hours a year.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I inform the Minister that on my regular visits to Huddersfield police station, John Robins, the chief superintendent, has never mentioned a problem of health and safety, but he is worried about the glib talk about getting rid of back-office functions, such as the crucial intelligence unit, without which police on the beat would not know where to go and what to tackle?

Nick Herbert: We are clear that intelligence functions are part of the front line. However, as I keep trying to point out to hon. Members, a third of all those employed in police forces, and all the resources they command, are not on the front line. It is, therefore, possible to drive savings without damaging or affecting the kinds of services to which the hon. Gentleman refers. Those are the questions that he should be asking his local force.

Immigration

10. **Andrew Selous** (South West Bedfordshire) (Con): What progress the Government has made in reducing the level of immigration. [70935]

15. **Matthew Hancock** (West Suffolk) (Con): What steps she is taking to reduce the level of immigration. [70940]

The Minister for Immigration (Damian Green): With permission, Mr Speaker, I will answer question 10 together with what I profoundly hope is question 15 on the Order Paper.

The Government introduced reforms to economic migration, including a limit, from April this year, and we have begun to implement significant changes to the student visa system. We are also consulting on changes to family migration, to break the link between work and settlement, and on overseas domestic workers. Taken together, those measures present a comprehensive package to tackle abuse and reduce net migration.

Andrew Selous: The Government's immigration objectives have widespread support across the House and across the country. What is the Minister doing, however, to tackle the links between temporary and permanent migration into this country?

Damian Green: Along with the list I just read out, that is a long-term issue that we are tackling. Our consultation on employment-related settlement, which was published on 9 June, sets out proposals for breaking the link between work and settlement, including making the skilled migrants route, tier 2, a primarily temporary one. One problem that this country has had is that people come here and are not sure whether they are on a permanent or temporary route. That problem does not affect most countries' immigration systems, and we are determined to drive it out from our country's system as well.

Matthew Hancock: What assessment has the Minister made of the economic impact of uncontrolled immigration over the past decade, and what is he doing to ensure that managed migration is, in future, a boost rather than a burden to the economy?

Damian Green: The problem for the previous Government was that, in letting in uncontrolled numbers, they did not differentiate between those who would bring benefits to the British economy and those who would act as a drag on it. At the heart of our policy is the distinction between those whom we want in this country—the brightest and the best—to study, work and bring long-term benefits to this country, and those whom we do not want, who either evade what they are supposed to be doing, coming here pretending to study but wanting to work, or still more, who come here to live off our benefits system. We will have a much better focused immigration system, as well as significantly lower net migration.

Chris Bryant (Rhondda) (Lab): One of the groups who have been coming to this country over the past 15 or 20 years—and indeed, for longer—and who have contributed significantly to it socially, culturally and economically are people who study at Christian theological colleges and Bible colleges in the United Kingdom, but they currently face a very difficult time because of the Government's policies. Many Bible colleges may have to close. I am sure that the Minister does not intend that source to dry up, so may I urge him to give specific consideration to the group of people concerned to establish whether there is something that he can do?

Damian Green: I am happy to reassure the hon. Gentleman that we are in close contact with the various small theological colleges, and are considering how we can resolve the issues involved. As I have said, genuine students studying genuine courses at genuine institutions of study are of course welcome in this country.

Shabana Mahmood (Birmingham, Ladywood) (Lab): The latest figures show that net migration has risen by 20% to 239,000, that the number of work visas issued by the Government has gone up rather than down since their cap was introduced, and that as a result of the changes in the English language requirement for spousal visas, only 55 visas for a three-month period have been refused. What will it take for the Minister to admit that his rhetoric on immigration does not match the reality, and when will he start being up-front with the British public?

Damian Green: I am always up-front. Indeed, let me be up-front about the "latest figures" that the hon. Lady has quoted. They are the figures for December last year, and thus cover the last few months of the Labour Government. When that Government introduced the points-based system that the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) said was providing progress in the immigration system, net migration was 165,000; two years later, after two years of Labour policies, it was 239,000. That is why we are acting on the work route, the student route and the family route, and on the link between temporary and permanent migration. Only now that we have a Government who are determined to act across the board on immigration will we get the numbers under control after 13 years of abject failure under Labour.

Dr Julian Huppert (Cambridge) (LD): Does the Minister accept that immigration supplies people who are essential to a whole range of activities, such as the work of high-tech companies, research, and a huge number of other activities in my constituency? Will he ensure that that flow continues, and resist the siren calls both from the Opposition and from his own Back Benchers for the Government to clamp down on people whom we desperately need?

Damian Green: I hope my hon. Friend will recognise that the changes we have made to, in particular, the work-based system allow skilled workers with a specific offer of a specific job to come to this country, while preventing the entry of unskilled workers and of people who pretend that they wish to study when their main intention is to work. In that way we can indeed retain the advantage of those who bring benefits to the country, but without retaining the old immigration system, which was out of control and destroyed public confidence in all kinds of immigration.

Antisocial Behaviour

11. **Karen Lumley** (Redditch) (Con): What steps she is taking to reduce antisocial behaviour. [70936]

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): This Government are clear that reducing antisocial behaviour is core business for the police and their local partners. Current action includes highlighting effective practice that will help professionals to improve their response to victims and communities, setting out proposals for more effective powers, and making more data available to the public.

Karen Lumley: We know that nearly two thirds of under-16-year-olds breach their antisocial behaviour orders. Will the Minister reassure my constituents that despite the protests of the shadow Home Secretary, ASBOs will be replaced with effective sanctions that will actually tackle antisocial behaviour?

James Brokenshire: My hon. Friend has made an important point about the measures available to professionals on the front line who are dealing with antisocial behaviour. We are keen to ensure that they have discretion to deal with problems in their localities, and can act speedily to bring relief to communities that are suffering from such behaviour. That is the focus of the Government, that is what we have been consulting on, and we will present our response to the consultation in due course.

Diana Johnson (Kingston upon Hull North) (Lab): The Met have said that ASBOs have been a valuable tool in combating violence and antisocial behaviour on the part of gangs. Following the August riots, will the Government ditch their plans to weaken the ASBO regime through proposals to remove the criminal sanctions and introduce far lighter penalties for those who flout the law? Do communities not deserve to be protected by the full force of the criminal law?

James Brokenshire: I am sorry to tell the hon. Lady that I think she has completely misunderstood the situation. We are ensuring that antisocial behaviour measures are effective and will provide relief for communities. As for the need to combat gangs, we are ensuring that injunctions are available to support the police and communities and enable firm and clear action to be taken against gangs, and we will have rolled them out to all communities by the end of this year. Those are practical measures to bring relief to communities, which is what the Government are determined to do.

Jack Lopresti (Filton and Bradley Stoke) (Con): Can my hon. Friend reassure my constituents that the introduction of police and crime commissioners will help to ensure that the police focus on local policing priorities, such as antisocial behaviour, that matter in neighbourhoods such as those across my constituency?

James Brokenshire: With a mandate that will respond to local concerns and priorities, I have little doubt that police and crime commissioners will focus on how their local police forces address antisocial behaviour and will ensure that the necessary strategies, funding and resources are made available. Our reforms are designed precisely to ensure that local communities' views are heard very loudly and clearly. That is at the heart of the reforms, and I am sure that police and crime commissioners will have antisocial behaviour at the top of their agendas.

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): The Minister is using some robust words, but he does not seem to understand the point. Antisocial behaviour orders are a preventive measure but they need the back-up of a criminal sanction to make them effective. That has worked across the country. Does he not listen to the police, who say it is an essential element in tackling antisocial behaviour?

James Brokenshire: The Association of Chief Police Officers has been clear that it supports

"a simplification of the tools and powers available to frontline practitioners, making it easier for them to do what works best."

That is the action we are taking to help the police and communities, and to bring relief against antisocial behaviour, which, sadly, the last Government failed to do.

Illegal Immigrants (NHS Treatment)

12. **Margot James** (Stourbridge) (Con): What procedures are in place to repatriate illegal immigrants whose treatment in NHS hospitals has been completed. [70937]

The Minister for Immigration (Damian Green): The UK Border Agency works closely with health professionals to facilitate the removal of patients who are not entitled to remain in the country. Where appropriate, special arrangements are made for the removal of persons undergoing treatment, including the provision of medical escorts. The Government take a robust stance on abuse of NHS services.

Margot James: I thank my hon. Friend for his answer. My local hospital, Russells Hall, was forced to admit a Pakistani national who was not eligible for NHS treatment. He was given a discharge when he was medically fit to leave the hospital. That was as long ago as August last year, yet since then the hospital has had to negotiate with the border agency and Pakistan International Airlines for a date for his release, and that has cost £100,000-plus. Can my hon. Friend assure me that he will put the necessary pressure on the border agency to enable this individual to be released without further delay?

Damian Green: My hon. Friend will appreciate that I cannot go into too much detail on the Floor of the House about an individual case. I am, however, happy to be able to reassure her that since she brought this case to my personal attention, an airline has now been found to carry the individual concerned. We are sorting out care and reception arrangements in order to ensure that the removal goes smoothly, and I understand that he will be removed in the near future.

Disorder (Gangs)

14. **Mr Chuka Umunna** (Streatham) (Lab): What research she has (a) commissioned and (b) evaluated on the contribution of gangs to the public disorder of August 2011. [70939]

The Secretary of State for the Home Department (Mrs Theresa May): As I said in the House last month, the recent civil unrest was a dark time for everybody who cares about their community and their country, and I realise that the hon. Gentleman's constituency was affected. As part of the work of the inter-ministerial group on gangs, I have commissioned an assessment of the role played by gangs in the recent disorder, and I will report our findings to the House in October.

Mr Umunna: I thank the Home Secretary for her response, and should declare an interest as the chair of the London gangs forum.

I have been told by my local police that gangs were not necessarily co-ordinating all the activity in our area, although gang culture is a big ongoing issue for us. How much of the £18 million that the Government have committed to tackling this issue—funding that will help police and local community groups—will directly benefit the London borough of Lambeth?

Mrs May: I thank the hon. Gentleman for his question. If I may, I will write to him with the specific information he has requested about Lambeth. London as a whole is one of the three areas, along with Greater Manchester and the west midlands, that are particularly benefiting from the funding that has been made available, as they are areas where the gang problem is a particular issue. The hon. Gentleman is right that, notwithstanding whatever role gangs played in the riots and unrest of early August, we must deal with gang culture, because, sadly, it is a problem that blights too many of our communities.

Gavin Barwell (Croydon Central) (Con): Are the events of early August not a wake-up call to the fact that the problem of gang culture, which has been around for a long time, needs to be taken more seriously? Although tough enforcement action against known gang members is part of the solution, is it not clear that a much wider approach will be required to tackle the problem?

Mrs May: My hon. Friend is absolutely right, which is why the inter-ministerial group on gangs is not only looking at the enforcement issue; we are looking at other matters, such as preventing young people from getting involved in gangs and diverting them from gangs when they become gang members. We are examining examples of good work from both outside the UK and within it—for example, in Strathclyde and Waltham Forest.

Terrorism

16. **Henry Smith** (Crawley) (Con): What steps she is taking to prevent people from being drawn into terrorism. [70941]

The Secretary of State for the Home Department (Mrs Theresa May): The new Prevent strategy was published on 7 June 2011. It outlines three key objectives: responding to the ideological challenge of terrorism; supporting individuals at risk of radicalisation; and working with sectors and institutions where there are risks of radicalisation.

Henry Smith: Will my right hon. Friend assure the House, and indeed the country, that we will not see a repeat of the scandalous situation under the previous Labour Government where public money intended for counter-terrorism actually ended up funding some extremist activity?

Mrs May: I thank my hon. Friend for raising that important point. As far as this Government are concerned, extremist organisations have no role in delivering the Prevent strategy, and if organisations do not support British values, we do not intend to fund them. Organisations funded by central Government must clearly demonstrate that they are working in the public interest. In this area, the transparency that has been adopted by this Government, both at central and local level, will be an important part of the process of enabling people to see where the money is being spent and to challenge that, if necessary.

Topical Questions

T1. [70950] **Stephen Phillips** (Sleaford and North Hykeham) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for the Home Department (Mrs Theresa May): Yesterday was, of course, the 10th anniversary of the terrorist atrocities of 9/11. None of us will ever forget the events of that day or those attacks on our own shores, including the 7/7 London bombings and the decades of terror campaigns waged in Northern Ireland. The Government remain as committed as ever to preventing future acts of terrorism and keeping the public safe. Following the death of bin Laden, al-Qaeda is weaker than at any time over the past decade. New threats will evolve, but so will our security measures to counter them. While we remember the victims, we must also remain vigilant. I commend those, particularly our front-line emergency workers, who continue to work against terrorism and risk their lives to protect ours.

Stephen Phillips: Will my right hon. Friend update the House about the meetings she has had with chief constables and colleagues following the recent rioting, which was of great concern to so many of my constituents, to ensure that there is no repetition and that those involved are speedily brought to justice?

Mrs May: I thank my hon. and learned Friend for that question. We have had a number of meetings with chief constables and others. As I said in an earlier answer, I am chairing an inter-ministerial group that works on tackling gangs—it is looking at that particular aspect of the riots—and we have already had a number of discussions about public order policing, in particular. I have, of course, asked Her Majesty's inspectorate of constabulary to examine the issue and advise on guidance for forces on matters such as tactics and the number of police that need to be trained in dealing with riots.

Clive Efford (Eltham) (Lab): It is now 15 months since the joint thematic review on the nature and culture of gangs reported in June 2010. The review was carried out by the chief inspector of prisons, the chief inspector of constabulary and the chief inspector of probation. They concluded that

"there was no integrated joint national strategy"

and so agencies had

"missed significant opportunities to work with young people involved or likely to get involved in gangs."

Can she say when we are likely to get a response to that review from the Government?

Mrs May: The hon. Gentleman has raised the matter of a review that was, of course, reporting on what had taken place under the Labour Government. We are undertaking a particular piece of work on gangs, bringing a number of Departments together to examine the issues and work out how we can best address the gang culture and prevent young people from getting involved in gangs. In doing that, we are doing what is absolutely right: we are looking at not only the evidence that has come before, but at practice on the ground today. We are finding out what is working today and looking at how to extend that good practice to other parts of the country.

T3. [70952] **Tony Baldry** (Banbury) (Con): During the recent disturbances, children in Banbury as young as 14 sought to use Facebook to incite public disorder. Will my hon. Friend update the House on her discussions with providers of social networks?

The Parliamentary Under-Secretary of State for the Home Department (Lynne Featherstone): I can inform my hon. Friend that the Home Secretary held a constructive meeting with the Association of Chief Police Officers, the police and representatives from the social media industry and the companies have made clear their commitment to removing illegal content and, when appropriate, closing accounts, whether at the request of the police or because of a tip-off from other users. It was agreed to step up co-operation to ensure that these processes are working effectively.

T2. [70951] **John Mann** (Bassetlaw) (Lab): Due to Government cuts, Worksop police cells are to close this month. Local police officers have asked me to ask the Home Secretary this: how exactly will that closure contribute to crime reduction in Bassetlaw?

The Minister for Policing and Criminal Justice (Nick Herbert): It is entirely a matter for the chief constable and police authority how they deploy their resources. There has been some rationalisation of custody and we are also very supportive of those forces that seek to contract out custody facilities and in so doing improve their service and save money.

T4. [70953] **Mr Stewart Jackson** (Peterborough) (Con): The Equality and Human Rights Commission posted qualified accounts in 2009-10 and the auditors found poor financial management, poor record keeping and poor leadership. What specific actions will the Minister take to rectify this problem and to ensure that taxpayers' money is not wasted by that organisation?[1]

Mrs May: I thank my hon. Friend for drawing attention to the issue. The qualifications, of course, represent spend for periods under the previous Government and we have been absolutely clear with the EHRC from the start that any problems with its accounts under this Government are likely to result in financial consequences for it. In March, we set out our plans to change the EHRC. Our consultation closed in June and we will be responding shortly, but we have already announced that we will reduce its budget by more than half from £55 million in 2010-11 to £28.8 million in 2014-15.

T8. [70957] **Alun Michael** (Cardiff South and Penarth) (Lab/Co-op): When it was announced that the Government would do away with the National Policing Improvement Agency, Ministers acknowledged that it was important for the functions undertaken by that agency to go to some other organisation and for there to be great clarity, but 14 months on we are still not clear. When will the Home Secretary tell us exactly which functions will go to which body as a result of the abolition of the NPIA?

Mrs May: The right hon. Gentleman knows that we have already identified a number of functions and where they will move to. For example, certain issues, such as non-IT procurement, have come back into the Home Office. We are working with the police forces to set up a police-owned company to deal with IT, which is a significant part of what has been undertaken previously by the NPIA. We will be making announcements about the exact destination for the other aspects of the NPIA's work in the coming weeks.

T5. [70954] **Nicky Morgan** (Loughborough) (Con): I am sure the Minister for Policing and Criminal Justice will agree that police officers need the best and most professional training. Does he therefore welcome moves by colleges such as Loughborough college in my constituency to offer a police, law and community course, which is already being used by at least three of our police forces?

Nick Herbert: I commend Loughborough college for taking the initiative in this important area. We are committed to improving the professionalism of the police. I understand that the course is not accredited at the moment and that the college should seek that accreditation before it can be treated as appropriate learning for the minimum qualification for a police officer.

Derek Twigg (Halton) (Lab): The chairman of Cheshire police authority, Margaret Ollerenshaw, has written to me to say that by March 2012 we will have 217 fewer police officer posts and that by 31 March 2015 a further 151 officer posts will have to be cut. She says:

"These cuts need further consideration in the light of the service demanded of the police".

How will these cuts, combined with 446 staff posts that will be cut, help combat crime and antisocial behaviour in Halton and Cheshire?

Nick Herbert: Tomorrow I will take part in a conference that has been organised by Cheshire police to consider those precise issues and to identify the opportunities that arise from adopting a leaner structure. The chief constable of Cheshire is as convinced as I am that it is possible to reorganise in a way that protects front-line services.

T6. [70955] **Alok Sharma** (Reading West) (Con): Will the Home Secretary join me in congratulating Thames Valley police on halving crime at this year's Reading

1. *[Official Report, 14 September 2011, Vol. 532, c. 9-10MC.]*

festival compared with last year and, more generally, on demonstrating that it is possible to protect visible front-line policing while finding budget savings?

Mrs May: I thank my hon. Friend for his question, to which I am very happy to respond, not least because I could hear Reading festival from my home even with the doors and windows shut. A significant number of people attended that event, which has had problems with crime in the past, so Thames Valley police are to be congratulated on the work they did this year to reduce crime. The Thames Valley force is a very good example of a force that is committed to ensuring that it retains front-line and response policing while also cutting costs by, for example, collaborating with other forces.

Andrew Gwynne (Denton and Reddish) (Lab): The chief constable of Greater Manchester says that he is closing police stations to make his force more like Argos. Does the Home Secretary agree with that crazy comparison? My experience of Argos is that the local branch never has what you want and you have to travel miles to find it.

Mrs May: The chief constable of Greater Manchester has been absolutely clear that it is possible to make cuts in budgets but that it is also necessary to make changes in and transform the way that policing is delivered. He is committed, as are other chief constables, to ensuring that he delivers a quality service to the people of Greater Manchester.

T7. [70956] **Richard Fuller** (Bedford) (Con): Given that so many people were left for years—sometimes for more than a decade—with uncertain immigration status, creating wrenching circumstances if their claims for status fail now, does the Minister consider that it was immoral of the previous Labour Government to lose control of the immigration system, and will he assure the House that he will not do likewise?

The Minister for Immigration (Damian Green): Yes, my hon. Friend knows that one of the myriad problems we inherited on the immigration front was the remains of a backlog of half a million asylum cases that had simply disappeared inside a warehouse. We have now got to the end of that process, but he is right: it is absolutely essential not to let any similar-sized backlog build up again—not just for general confidence in the immigration system, but as part of our moral duty to treat anyone who comes to this country and applies for asylum with as much efficiency as we can. The system should work not just for them but for the taxpayer. It is a win-win if we get the asylum system to be more competent than it was.

Mr Speaker: Order. I feel it is my moral duty to press on so that we get more Back Benchers in.

Ms Karen Buck (Westminster North) (Lab): Some of the most pressurised communities in London are facing the loss of familiar and well-liked safer neighbourhood sergeants. Will the Minister give an assurance that there will be no more reductions in the local leadership of safer neighbourhood teams, or is the model of ward-based safer neighbourhood policing now dead under this Government?

Nick Herbert: The hon. Lady knows that this is a matter for the leadership of the Metropolitan police and for the Mayor. The Mayor has made it clear that he seeks to maintain the number of police officers in London at above 32,000, which will be more than he inherited from his Labour predecessor, and to protect neighbourhood policing.

T9. [70958] **Sheryll Murray** (South East Cornwall) (Con): In Torpoint and other parts of my constituency, police response teams are finding that their times are restricted by the geography of the area, which means that some officers are forced to cross the River Tamar on a ferry or to drive for at least 30 minutes. Does my right hon. Friend consider that that is acceptable?

Nick Herbert: I understand my hon. Friend's concerns about this issue and I also appreciate the particular geography in that part of her constituency. These matters of deployment are for the chief constable to decide and it is better that Ministers do not try to second-guess those, but I am happy to draw her concerns to the chief constable's attention.

Gloria De Piero (Ashfield) (Lab): Do Ministers believe that a local police station is a front-line service?

Nick Herbert: I think that what is important is the visibility and availability of police officers, which is variable between police forces. In many cases, it can be significantly improved. I have said to the House before that if police forces can find innovative ways to increase their presence in communities—for instance, by being in supermarkets—that can often be very much better than maintaining empty or underused offices that are rarely visited.

Bob Russell (Colchester) (LD): Will the Home Secretary place in the Library a definition, with examples, of what constitutes police back-office and, as we have heard this afternoon, middle-office facilities? Does she accept that part of the front line is 24-hour policing with 24-hour police stations in our major urban centres?

Mrs May: I am happy to say to my hon. Friend that the work on the definition of the back, middle and front-line functions has been done by Her Majesty's inspectorate of constabulary, not by the Home Office. A report defining those functions is available from HMIC, and I am happy to make sure that it is available in the Library.

Chris Ruane (Vale of Clwyd) (Lab): Crime levels in north Wales dropped by 45% over the 13 years that Labour was in power. Over the past year, crime levels have gone up. Do Ministers accept any responsibility for the increase in crime?

Nick Herbert: As there has barely been any reduction in front-line police officers in the period that the hon. Gentleman describes, I think that what he tries to imply is false. What matters is how effectively police officers are deployed and how efficiently they are working. What Opposition Members do not accept is that we have to deal with the deficit. We must find the savings because of the mess they left this country in.

Robert Halfon (Harlow) (Con): Will my right hon. Friend condemn the antisocial behaviour and racism of the Islamist demonstration near the commemoration of 9/11 yesterday? Does she agree that that demonstration should not have been allowed to take place so close to the commemoration, and will she take steps to stop that happening again?

Mrs May: Anybody who engages in criminal activity should be dealt with appropriately. I am pleased to inform the House that I understand that nine arrests were made at the time yesterday, but further arrests have been made. The number up to date is 33, but that may change.

Hazel Blears (Salford and Eccles) (Lab): The recent disturbances in Salford had a large element of organised criminality. The Home Secretary is aware of Operation Gulf in Salford, led by Superintendent Kevin Mulligan, which has had significant success against organised criminals. With the cuts that are proposed in Greater Manchester, what support can she continue to ensure goes into successful operations to tackle serious and organised crime?

Mrs May: As the right hon. Lady knows, chief constables will be making decisions about particular local operations that they wish to undertake, but the Government are giving much greater power to the police to deal with serious organised crime through the creation, in due course, of the national crime agency. We touch far too few organised crime groups in the UK. Organised crime costs this country £30 billion to £40 billion a year. The NCA will help to tackle that.

Andrew Selous (South West Bedfordshire) (Con): Following this weekend's utterly despicable revelations of the way in which 24 of my constituents have been kept as slaves, some for 15 years, may I wholeheartedly commend the robust action of Bedfordshire police in bringing that to light and putting it right? Will the Government please pay particular attention to the issue of internal trafficking in the United Kingdom, given that 17 of those 24 slaves were British citizens?

Damian Green: I am sure the whole House will share my hon. Friend's disgust at something that came as a shock to many of us. He is right. What we saw was effective police action, co-ordinated in many ways by the Serious Organised Crime Agency. As he knows, the new national crime agency will have among its functions co-ordinating activity against trafficking, both domestic and international, which will give us a much more effective way of combating such particularly vile crime.

Naomi Long (Belfast East) (Alliance): I have been contacted by a constituent who was born in Germany while her father, an Irish citizen, was stationed there with the British Army in 1948. Despite her mother being British, and the fact that she has lived the remainder of her life in the UK, she is a British subject, not a British citizen, which carries additional cost and inconvenience when she travels. Will the Home Secretary consider how to resolve that historic anomaly?

Damian Green: That sounds like a deliberate quiz question for the Immigration Minister, with every possible complication within it. If the hon. Lady wishes to write to me, I will happily examine the details of the case.

Tom Brake (Carshalton and Wallington) (LD): Is the Minister aware that in the police service a centrally procured box of 100 wipes for electronic equipment costs £19, whereas it can be bought on the internet for £1? What can the Government do about that?

Nick Herbert: Overall, we believe that huge savings could be accrued through better procurement by the police, but we have to remember that the costs of procurement are not just the cost of goods. They are the cost of the separate organisations in 43 forces that are individually procuring goods and equipment. On those calculations, we think we can save £350 million a year by more effective procurement.

Julie Hilling (Bolton West) (Lab): Youth workers up and down the country were asked to work on the streets during the recent disturbances, but many of those workers are being made redundant. Has the Minister examined the probable impact on crime and antisocial behaviour of these cuts to youth work?

Mrs May: In the work of the inter-ministerial group on gangs, we will of course look at effective ways of dealing with gang culture and with young people who get caught up in criminality, but I say to the hon. Lady and her hon. and right hon. Friends that the evidence indicates that the Government, in various forms, often spend a lot of money on individuals and their families, but sadly not all of that is spent effectively. Our task is to ensure that money is focused effectively to deal with the problems.

Independent Banking Commission Report

3.35 pm

The Chancellor of the Exchequer (Mr George Osborne): I would like to make a statement on the final report of the Independent Commission on Banking. The report is an impressive piece of work, broad in scope, incisive in its analysis and clear in its recommendations. The Commission has done what we asked it to do; it has come up with an answer to the question of how Britain can be the home of successful international banks that lend to families and businesses without exposing British taxpayers to the massive costs of those banks failing. Frankly, it is a question that should have been asked and answered a decade ago. We should all thank Sir John Vickers and the other members of the commission—Clare Spottiswoode, Martin Taylor, Bill Winters and Martin Wolf—for a job well done.

The commission and its report have not come about by accident. It was set up by the coalition Government to learn the lessons of what went so catastrophically wrong: a decade-long, debt-fuelled boom that ended in a dramatic financial crisis, a deep recession and a debt overhang that is still holding back our economy; a regulatory system that totally failed to spot enormous imbalances building up and proved incapable of dealing with the crisis when it first broke; and most importantly, in the context of this report, huge global banks that turned out to be "too big to fail", so that taxpayers were called upon for many billions of pounds in order to prevent a financial meltdown. We still do not know, and may not know for many years, how much of that money will ever be recovered, despite promises made at the time that not a penny would be lost.

We are fundamentally changing the system of regulation and tackling the debts, but the bail-out for banks is the element of the crisis that has, justifiably, caused the most anger. It is an affront both to fairness and to the very principles of a market economy. It is not available to any other sector of the economy, nor should it be. It breaks the principle that those who take risks should face the consequences of their actions. As a result, it played an important role in encouraging the excessive risk taking that caused the crisis.

Of course, taxpayer bail-outs did not happen only in this country. An international regulatory response to the crisis is now emerging, with the new Basel rules and the anticipated new additional requirements for systemic banks, but here in Britain we cannot rely only on the international reform process to make our banking system safe. The challenge we face, and the risk for our taxpayers, is different from that in most other countries. The balance sheet of our banking system is close to 500% of our GDP, compared with just over 100% in the US and around 300% in Germany and France. Only Iceland, Ireland and Switzerland had larger banking systems, relative to their GDP, and they have all now taken action that goes well beyond new international standards. As the report states,

"part of the challenge for reform is to reconcile the UK's position as an international financial centre with stable banking".

This is what I have called the British dilemma: how to remain a successful global centre of finance without asking taxpayers to bear unacceptable risks or putting the broader economy at risk. We set up the Banking Commission to help us solve the British dilemma.

Let me set out the commission's recommendations and how we propose to respond. The first proposal is the introduction of a ring fence around retail banking. The Government have welcomed, and welcome, this recommendation in principle. As the report states,

"the objective of such a ring-fence would be to isolate those banking activities where continuous provision of service is vital to the economy and to a bank's customers."

In other words, that is the provision of key domestic retail banking services, such as taking deposits from individuals and small businesses or providing them with overdrafts. The central benefit of a ring fence is not to end large universal banking groups, but to make them more easily resolvable in a crisis.

The costs should fall on shareholders and the wholesale debt holders, not on small depositors or on taxpayers. A successful ring fence will be able to ensure the continuation of vital payment services that are crucial to preventing an economic collapse, and this directly addresses the perceived implicit taxpayer guarantee, which is at the heart of the too-big-to-fail problem.

The commission has also proposed a more flexible ring fence. In terms of scope, it says that

"domestic retail banking services should be inside the ring fence, global wholesale/investment banking should be outside, and the provision of straightforward banking services to large domestic non-financial companies can be in or out."

Many will see this as sensible, and it will reduce inefficiencies resulting from any mismatch between customer deposits and business lending within an individual bank.

On the strength—or height, if you like—of the ring fence, the commission recommends that the retail subsidiary should have what it calls "economic independence". In other words, it should meet regulatory requirements on a stand-alone basis, and its relationships with other parts of the group should be at arm's length and regulated in the same way as relationships with third parties. A great deal of detailed work will now be required to see how that principle can be put into practice.

Secondly, the commission has also made important recommendations to ensure that banks have bigger cushions to withstand losses, so the large retail ring-fenced banks should have equity capital of at least 10%. It also recommends that retail and other activities of large UK banking groups should both have primary loss-absorbing capacity of at least 17% to 20%, including long-term debt that can be written off, so that, unlike last time, both shareholders and bondholders bear losses, not the taxpayer. Within that, the commission recommends some regulatory discretion over the composition of this loss-absorbing capacity, and again many will see that as sensible.

Thirdly, the commission recommends the introduction of depositor preference. I repeat again in this House that the Financial Services Compensation Scheme covers 100% of eligible deposits up to the new European limit of €100,000, or £85,000. The depositor preference proposals would bolster the scheme by ensuring that other bank creditors were subject to losses first when a bank went bust, minimising the cost to the scheme and ultimately to the taxpayer.

The fourth set of recommendations relates to competition in the banking sector. These have not had as much attention as the other recommendations, but they are arguably as important to families and businesses. I agree with the commission that the best way to ensure a reliable and affordable supply of lending to our families and businesses is through competition.

The collapse of banks such as Bradford & Bingley and the merger of Lloyds and HBOS, which the previous Government welcomed, means that there is too little competition and switching bank accounts remains difficult. I welcome the commission's recommendations to change that.

On the divestment of the Lloyds branches, the commission has said that the key test should be the emergence of a strong and effective new challenger bank, and I agree that that would be very much in our country's interest.

Those are the recommendations. Let me turn to the implications for the wider economy, the implications for Britain as a global financial centre and the timetable for the Government's response.

The report is clear that the right solution, implemented properly and to the right timetable, will help our economy, not hinder it. Let us remember that the mistakes made by poorly regulated banks ended up costing the economy many, many billions of pounds. The commission notes that some of its recommendations could reduce the profitability of some banks' investment banking operations, and that is largely because we would be removing the subsidy that comes from any perceived implicit taxpayer guarantee. We should not confuse the interest of bank shareholders with those of the British taxpayer.

It is also critical that reforms of this kind do not lead to worsening credit conditions in the economy. Indeed, John Vickers says:

"Banks with more robust capital, together with the creation of the ring-fence, would provide a secure and stable framework for the supply of credit to businesses and households in the UK economy."

The commission believes that its proposals could help to rebuild the culture of relationship banking which has been so sadly lost over the past decades, and that would help banks to understand the credit needs of their customers better.

Let me turn to the UK's role as a global centre for finance and banking. I will be very clear: the Government want Britain and the City of London to be the pre-eminent global centre for banking and finance; and we want universal banks headquartered here, with all the advantages that that brings. The Vickers report explicitly addresses this issue, and, for those investment banks with credible recovery plans, it has not recommended higher equity requirements than those agreed at an international level.

This means that the global investment banking operations of UK banks can continue to be as competitive as any in the world, and we as a Government will continue to keep the City as a whole internationally competitive, as was clear last week when we welcomed, with the Chinese Government, the development of the offshore renminbi—RMB—market in London.

Let me end by explaining to the House how we will now take forward the commission's report. We have welcomed the recommendations in principle. They would require far-reaching and complex changes; John Vickers is the first to say that they cannot be delivered overnight. The detailed work will start immediately. We will consult on the costs and benefits of the most appropriate way to implement these changes—and we will provide a response by the end of this year so that there is no uncertainty hanging over the industry. We will legislate in this Parliament to put the needed changes into law. We will consider which changes can be in the existing draft Financial Services Bill and which will need a new Bill, and we will discuss these changes with international partners to ensure consistency with international agreements and EU law. We will follow the advice of the independent commission and ensure that any changes to the British banking system are fully completed by 2019. This is a sensible timetable that fits with the international regime. As John Vickers himself said this morning,

"short-termism got us into this mess and we need long-termism to build a more stable system for the future".

The question of how Britain can be the home of successful, global banks that lend to British families and businesses but do not have to be bailed out by British taxpayers should have been answered a decade ago, but it was not even asked—and that failure means this country is still paying the price for that failure. Billions of pounds have been spent and hundreds of thousands of jobs have been lost as a result. It is this coalition Government who set up the Independent Commission on Banking—not just to ask the questions but to provide the answers. Today represents a decisive moment when we take a step towards a new banking system that works for Britain. I commend this statement to the House.

Ed Balls (Morley and Outwood) (Lab/Co-op): Let me start by expressing our thanks to Sir John Vickers and the Independent Commission on Banking for producing a report which will radically reshape our banking industry and our wider economy and which will echo all around the world. It is now the task of the Government and this Parliament to respond to its recommendations in an equally balanced, radical and timely manner, because taxpayers, customers and businesses want radical action. They were shocked and angered by the irresponsible actions of banks in New York, in London, in Frankfurt and in Amsterdam which caused the global financial crisis. But while they are angry at the banks, they are also angry with the regulators, the central bankers and the Governments who failed to foresee and prevent this irresponsibility.

As I have said before, for the part that I and the last Labour Government played in that global regulatory failure, I am deeply sorry. But let me say to Conservative Members and, in particular, to the Chancellor, who accused me in 2006 of supporting

"burdensome, complex"

regulation which, he said, would make

"cross-border market penetration more difficult"

and

"threatens the global competitiveness of the City of London",

that perhaps the Chancellor also needs to show a little humility about that global regulatory failure.

In April, I set three tests which I believe the Government must meet in implementing banking reform: to protect taxpayers in the future; to secure international agreement to protect jobs in Britain; and to deliver a wider banking system to support the wider long-term interests of our economy. I will take them in turn. First, to protect taxpayers, we support the commission's radical reforms on ring-fencing and regulatory standards. Unlike the Chancellor, who revealingly supports them in principle, we agree with the Business Secretary and support them in practice. We agree with the commission, which says that the current weak state of the economy does not

[Ed Balls]

weaken but strengthens the case for reform. These are complex reforms, and the cautious timetable that the commission has set is understandable. However, given the unsettling public bickering we have seen within the Cabinet in recent weeks, we strongly agree that the Government must provide clarity about their view of the commission's recommendations as soon as possible—and move rapidly to put in place the necessary legislation and rules.

So let me ask the Chancellor this: will he agree to publish, by end of this year, alongside his response, a detailed implementation plan for the commission's recommendations on ring-fencing, including clear milestone dates? Will he agree to legislate as many of these changes as possible in the draft Financial Services Bill? To make sure that there is no foot-dragging—to move beyond principle to practice—will he agree with our proposal to ask the Vickers commission to come back in 12 months' time and publish an independent report on progress so far?

On the second test of securing international agreement, will the Chancellor ensure that the Vickers report is placed firmly at the centre of the global financial reform agenda? Will he set out a plan and timetable for that international process? In recent months, he has failed to deliver international leadership on the eurozone. If he fails on this agenda, we will see a global race to the bottom, with other financial services centres taking short-term advantage of our tougher approach, which would put thousands of UK jobs at risk.

Thirdly, on competition in the wider economy, the commission is right to highlight the costs to consumers and businesses of excessive concentration in UK banking. Greater competition is not the whole answer to the culture of short-termism that still plagues our capital markets, but we fully support the commission's recommendations on divestiture, a new challenger bank, easier account switching and a stronger competition duty on the new financial regulator. However, until 2015 is too long to wait to judge whether progress is sufficient or whether we need a referral to the Competition Commission. Delays could leave consumers and small businesses to pick up an unfair share of the multi-billion pound bill for tougher capital standards. Will the Chancellor therefore commit to review progress not in four years, but in two years in 2013—two years earlier than the commission recommends?

Finally, none of these reforms can help the thousands of small businesses that are currently struggling to access the credit they need. As the Bank of England has confirmed, net bank lending to business is not rising, but falling. It is down £4 billion in the most recent figures, despite the Chancellor's toothless Merlin deal with the banks. Will the Chancellor agree today to ensure that state-owned banks increase their lending in the coming months? Will he act now to have greater transparency on pay and bonuses and repeat the bank bonus tax for a second year? Will he recognise that rising unemployment and a flatlining economy will further depress confidence and small business borrowing until he changes course and adopts a plan B for growth and jobs? Today's report provides some of the answers to the pressing problems we face; it is time the Chancellor woke up to the rest.

Mr Osborne: Let me start by welcoming the right hon. Gentleman's support for the report of the Independent Banking Commission. I welcome the fact that he now wants to see it implemented in this country, as I understand it, even if the changes are not implemented abroad. That is a change in his position from April, which I welcome. We all enjoyed his apology for what went wrong. He has another four years of those, I think, before he makes up for the horrendous mistakes that were made.

Chris Leslie (Nottingham East) (Lab/Co-op): Where's your apology?

Mr Osborne: The right hon. Gentleman was the Minister responsible for the City when Northern Rock totally lost control of its wholesale funding; he was the Minister responsible for the City when RBS launched its takeover of ABN AMRO; he was the Minister responsible for the City when HBOS was making all those unsupportable loans. No one in this House knows more about how to get it wrong than the right hon. Gentleman. He talks about unseemly bickering on the Government Front Bench, yet we have just been reading the memoirs of a former Chancellor of the Exchequer, the right hon. Member for Edinburgh South West (Mr Darling), who is no doubt about to speak. What he reveals about the regime that the shadow Chancellor operated shows that this is the pot calling the kettle black, to put it mildly.

Let me come on to the specific points that the right hon. Gentleman made. First, on the legislation in this Parliament and the draft Financial Services Bill, he is trying to make hay by exploiting a completely false distinction between principle and practice. We support these measures in principle and will put them into practice through detailed legislation. One cannot support all of this in practice because it requires detailed legislation, which even John Vickers says is not for the commission. Let there be no doubt that we support the Banking Commission's report and that we will legislate in this Parliament. The draft Financial Services Bill might well be a vehicle for implementing some of the changes, but we might also require a separate Bill. That is partly because we need to get the draft Financial Services Bill through the House so that the new regulatory regime, which we are also introducing, is up and running by the beginning of 2013. As I said, I think it is sensible to stick with the proposal put forward by John Vickers that we set ourselves the deadline of legislating in this Parliament.

Secondly, the right hon. Gentleman talked about the international environment. He knows, as many hon. Members do, that there has been a lot of movement on the international front to introduce the new Basel requirements, which are, of course, on the same timetable as the Vickers proposal that the changes should be completed by 2019. Those are sensible changes, but we will argue for other changes that we would like to see at international level, not least the implementation of some of the agreements made under both this Government and the previous one at G20 level, on such things as bankers' pay and remuneration. We want to see those properly implemented in all regimes. Of course, we hope that other jurisdictions, the Financial Stability Board and others will look at the report, but John

Vickers was not asked to produce a regime for the world; he was asked to produce a regime for the UK to reflect the fact that we have 500% banking assets as a proportion of our GDP.

Thirdly, I am afraid that I just do not agree with the right hon. Gentleman on competition, and nor does John Vickers. The right hon. Gentleman says that we should have a Competition Commission inquiry in 2013, but my office has contacted the secretariat of the Banking Commission today to ask it for its view. The commission said that the reason why it chose 2015 is that three vital things that it wants to be operational, including the new challenger bank and the new switching of bank accounts proposals, do not come into effect until 2013. By the way, the latter is a very significant proposal, and I hope that it will get some coverage in the media among all the discussion of investment banking—the proposal is that people can easily switch their current accounts, and their direct debits and so on will follow automatically. However, that does not come into effect until 2013, and the Financial Conduct Authority is not operational till 2013.

The Banking Commission considered that timetable, and it thinks that 2015 is the right year in which to consider whether the changes are working in practice. I agree very much with that—*[Interruption.]* The shadow Chancellor says "12 months", but he had 13 years to get these changes right. At the last general election, I remember having a debate with my colleague the Business Secretary and others in this House. The only party arguing against structural change of the banking system was the Labour party, so it is simply ludicrous of the shadow Chancellor to suggest that we are dragging our feet. We are getting on with it. We have produced this report within a year and a half of being in government, and now we are getting on and putting it into practice, so that we do not make the mistakes he made when he was in office.

Sir Peter Tapsell (Louth and Horncastle) (Con): After that uncharacteristically guilt-racked contribution by the shadow Chancellor, may I, by contrast, applaud the Chancellor for appointing this Banking Commission and for withstanding the intensive lobbying against it by the very same universal banks that very nearly destroyed the world economy? May I thank him also for accepting the recommendations of the Vickers commission? Finally, may I put it to him that I very much hope that we will proceed as he has promised, not only with legislation in this Parliament, but in implementing it as soon as possible, and well before 2019, when the long grass may have grown into a forest?

Mr Osborne: I thank my right hon. Friend for his support for the Banking Commission, and for his kind words. He has many decades of experience—

Chris Ruane (Vale of Clwyd) (Lab): Centuries!

Mr Osborne: Well, I think my right hon. Friend was certainly alive when Messrs Glass and Steagall were, which most Members of the House could not say.

I respect my right hon. Friend's experience. He has long argued for some form of separation between retail and investment banking and has been consistent in making that argument. Events have borne out his advice to successive Governments.

We asked John Vickers carefully to consider the timetable, and he gave a lot of thought to it. He recommends that all the changes should be completed by 2019, but that other changes should take place at earlier dates—he specifies those dates in his work. The 2019 back-stop is appropriate, because that is the date when the international rules also need to be in place. We should not underestimate the huge amount of work to be done in this House to get the report turned into legislation that works and that people do not find ways around.

Mr Alistair Darling (Edinburgh South West) (Lab): I am grateful to the Chancellor for plugging my book, but when he gets a chance to read it, I think that he will see that political parties on both sides of the House went along with the culture that led to some of the problems we had to deal with and that some of the shrillest voices calling for light-touch regulation were those of Members now sitting on the Treasury Bench. Will he tell us a bit more about what discussions he proposes having with other Governments, in view of the interconnected nature of the banking system, which is only as strong as its weakest part? Will he also deal with the erroneous assumption that there will never be a case in the future when a Government might have to bail out an investment bank? We should remember what happened to Lehman Brothers. It cannot ever be said that we will never have to do that again, even with a bank that is not thought now to be systemically important. I welcome the report, but it has to be seen as part of a wider range of reforms necessary to make our banking system stronger and more secure.

Mr Osborne: I respect the right hon. Gentleman's experience of having been through all that he went through as Chancellor. He had to deal with these problems in real time over long weekends, and I have paid tribute previously to the work that he did on behalf of our country in those difficult months. As for his book, I have only just started reading it, but as far as I can see, I get off relatively lightly compared to the former Prime Minister, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown).

The right hon. Gentleman made a good point about the interconnectedness of the banking system. The Basel rules are significant, and I believe that that process was initiated when he was Chancellor and representing the United Kingdom. New arrangements have been agreed in record time. It took 10 years to come up with Basel II, but about 18 months to come up with Basel III. The international rules are important because they help us to deal with investment banks in foreign jurisdictions, such as Lehman Brothers, and to protect all globally systemically important banks and give them bigger cushions. As he well knows, new proposals are coming down the track for additional capital requirements on the most globally systemically important banks. That is significant. Also, we are putting in place the recovery-and-resolution ideas that, again, he initiated when he was Chancellor in order to ensure that we can deal with the failure of the UK end of an American investment bank. That will ensure that these banks do not just live internationally and die nationally, but that we can resolve any problems.

I would make a broader point, however. Yes, we have to do that at an international level, but we also have to consider regimes that have large concentrations of banking,

[Mr George Osborne]

such as Switzerland—let us, for a moment, leave aside Ireland and Iceland, which were obviously virtually bankrupted by what happened. It is interesting that Switzerland, which, as the right hon. Gentleman knows, is as keen as anyone to remain internationally competitive, has introduced its own domestic regime for its banks. It is wholly appropriate for us to consider doing that in this country while, of course, recommending to other countries changes that we think are sensible for all jurisdictions.

Mr Andrew Tyrie (Chichester) (Con): Sir John Vickers has made a strong case both on competition, on which he has endorsed proposals from the Treasury Committee, and on the ring fence, on which the Committee will now be taking evidence from him. On the timing of implementation, however, rather than adding a ring fence to the list of measures in the current Financial Services Bill, which is already long and complex, surely it is sensible to commit now to a separate ring-fencing Bill in this Parliament, while making it clear now that full implementation of the higher capital and debt requirements, which might lead in the short term to lending risks, can be left at least until 2018 or possibly later?

Mr Osborne: The Chairman of the Treasury Select Committee makes a sensible suggestion. It is likely—I do not want to say certain—that we will need a separate piece of legislation on some of these specific changes to banking. However, I hope that we can also use the Financial Services Bill to implement other key parts of the reform. That is the case because we want to get this right. The draft Bill is currently being discussed by the Joint Committee chaired by my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley), and we simply will not be able to produce all that detail in the next couple of months before the Bill is introduced. We have to get this right. As John Vickers said, short-termism got us into this mess, and we need a bit of long-termism to get it right. However, I hope that the commitment to legislate in this Parliament reassures people that it is going to happen in this Parliament. This bunch of Ministers, this Government, will be held accountable if we do not legislate in this Parliament. We have given a clear commitment, and I am sure that the work of the Treasury Committee, which my hon. Friend chairs, in looking at how this report can be put into practice will be very valuable.

Mr Michael Meacher (Oldham West and Royton) (Lab): Why effect a firewall between retail and investment banking—which is highly complex and which the banks will use every device to get round—rather than effecting a clean break, which provided 60 years of stable banking after the great depression? Why wait eight years to implement some of the changes, when that will continue to expose taxpayers to another financial crash and when the banks are still too big to fail?

Mr Osborne: One of the original purposes of creating the Banking Commission was to try to resolve the argument, which is held in this Chamber and elsewhere, about whether to split banks, ring-fence them or leave things as they are. In this report John Vickers goes through all the arguments for a complete separation of the banks and comes down on the side of saying that it would not be sensible. He thinks that the cost to the economy would be particularly high, and without any real stability benefits. He also thinks that there are circumstances where one would want a retail bank to be supported by the rest of the bank—the investment bank—and have money transferred into it, which would enhance stability. The third point, which will not be universally popular in this Chamber, is that such a separation would be almost unenforceable under European law, because other European banks—or, indeed, one of our banks that had moved to another European jurisdiction—could passport money in. For those three reasons, John Vickers does not think it sensible to split the banks up.

Several hon. Members *rose—*

Mr Speaker: Order. The Chancellor is helpfully offering the House very informative answers, but I would gently point out that thus far we have made what can best be described as leisurely progress, on which I hope we can now improve.

Stephen Williams (Bristol West) (LD): Reform of the banks was one of the key foundation stones of the coalition Government, so I very much welcome today's report. The public will certainly expect this Government to legislate as soon as possible to enact the various parts of the report, but they will need a reassurance today that there will be no excuse for the banks not returning to lending to small and medium-sized businesses, which are so necessary for our economies to return to sustainable growth.

Mr Osborne: The agreement among my right hon. Friend the Chief Secretary to the Treasury, the Business Secretary, me, the Prime Minister and other members of the coalition Government has been solid on this report. Anyone who has been looking for disagreement in the coalition has not really been able to find it today because both parties agreed that this was a good idea and we both support the report's conclusions. On lending, briefly, we have the Merlin agreements and we are trying to protect small and medium-sized businesses as these huge banks deleverage, and the process has helped to do that. Indeed, the targets are for a big increase in small business lending, and I am confident that they will be met.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): It does not take an expert in forecasting—or even the Chancellor of the Exchequer—to foresee large banks seeking to use the proposed changes to increase restrictions on customers accessing bank accounts, cashpoints and other services, or to impose charges for bank accounts. What reassurance can the Chancellor provide me and my constituents that his Government will not let that happen?

Mr Osborne: As I said in my initial statement, an important part of this report—it will not be at the top of the evening news tonight, but it is important—is the proposals to enhance competition on the high street and create a new challenger bank, so that customers have real choices. There is also a proposal for a free

service that would enable anyone who wanted to switch their current account to do so almost immediately, with all their direct debits and all the other things attached to their account switched too. That will really help customers to shop around—at the moment, customers do not switch their current accounts because they think that it would be too difficult and cumbersome—and is one of the most retail-friendly proposals in the report.

Mr Edward Leigh (Gainsborough) (Con): If there is one class of people more unpopular than MPs, it is bankers—and I know where all the populist pressure is coming from. However, regulators do not create wealth; they stifle it. Does my right hon. Friend acknowledge that we have to live in the real world and that London's pre-eminent position is based on the fact that we have the lightest regulatory regime in Europe? Will he undertake to preserve that for the sake of our wealth creation and not kill the goose that lays the golden egg?

Mr Osborne: Well, it was not much of a golden egg, unfortunately, in recent years. It is important for this country that London, Edinburgh and other centres remain globally competitive and that London remains the pre-eminent global centre for finance. Some of the changes taking place in the City, such as the one I mentioned, involving trying to develop an offshore renminbi market, are all part of London being a competitive place to do business. However, being a competitive place in which to do financial services does not mean that there has to be a huge taxpayer subsidy for universal banks and their retail banking arms in the UK. John Vickers explicitly deals with the competition issue. People might have expected him to come to a different conclusion on this, but one of the interesting things he said was that we should not impose additional capital-to-equity ratios on investment banks, precisely because he does not want us to make them internationally uncompetitive.

Stewart Hosie (Dundee East) (SNP): I thank the Chancellor for his statement, and for giving me early sight of it. I congratulate the commission on the report, and particularly on the report's dealing with the resilience in the banks and its rejection of splitting up the universal banks in favour of flexible ring-fencing. However, the timetable for this is eight years from today until the final implementation. That is necessary because of the complexity and the potential cost to the banks of implementation, but will the Chancellor ensure that the banks do not consider the next eight years to be a hiatus during which they can return to business, and bonuses, as usual? Will he also ensure that he drives forward as many of these recommendations as he can as quickly as possible before the 2019 backstop?

Mr Osborne: I will not repeat what I have said about the timetable. Suffice it to say that it is what John Vickers recommended, having really thought about it. This involves a combination of getting the detail right and ensuring that the changes do not unduly damage credit supply in the short term. That is why he has recommended a longer timetable. As he pointed out at his press conference this morning, once we propose such changes and start to legislate for them, some of them will start to happen anyway as banks try to get ahead of the curve—that is certainly what happened with Basel, although they were arguably too quick to get ahead of the curve in that instance—and that is what he anticipates happening when the changes are introduced.

Michael Fallon (Sevenoaks) (Con): Given the report's emphasis not only on the size of the British banking sector but on the lack of competition within it, will the Chancellor assure the House that he will follow through on the recommendations to encourage new and challenger banks to provide the finance that our small businesses desperately need?

Mr Osborne: I can absolutely give my hon. Friend that assurance. The report addresses the issue of Lloyds, which is required to sell branches under European Union state aid requirements. John Vickers thinks that the key test for the Government's handling of the Lloyds issue will be whether we have created an effective challenger bank. He thinks that any such new bank should have about 6% of the personal current account market, which is more than the state aid proposals would lead to, and that it should be properly funded. I take those recommendations very seriously.

Mr Nicholas Brown (Newcastle upon Tyne East) (Lab): What reassurance can the Chancellor give the House that the ring-fencing will be effective at the time when it is most likely to be tested—namely, in the run-up to another debt or liquidity crisis? I listened to his earlier answer about the investment banks putting money into the high street banks, and about that being an advantage for the proposals for ring-fencing, but I have to tell him that I do not find that wholly convincing. If the idea is to get support, he has to be able to explain to the House how this proposal will work when it is required to do so.

Mr Osborne: In a sense, the right hon. Gentleman is right. The proof of all the arrangements that we are putting in place, and the international arrangements, will be in the pudding—although it is not really the kind of pudding that we want, because it is a banking crisis.

Geraint Davies (Swansea West) (Lab/Co-op): A golden egg pudding?

Mr Osborne: Yes, perhaps there are too many kitchen metaphors. The point I was making is that we are trying to clean up the mess.

We should not just assume that banking crashes happen every 70 or 100 years. We must hope that they will never happen at all, but we need to put in place the regulatory arrangements, capital requirements and structural changes that will ensure that the person who is in the hot seat the next time it happens, and has to do the job that the right hon. Member for Edinburgh South West (Mr Darling) had to do, will have more tools available to him than the right hon. Gentleman had as Chancellor.

Andrea Leadsom (South Northamptonshire) (Con): Regulation in the banking sector has already changed beyond all recognition. In my view, the best bit of that regulation is giving accountability back to the Bank of England. There is no doubt, however, that yet more regulation will have a cost. We can see from bank share prices now that investors already think that the future of the banks is not as glowing as it was. Does my right

[Andrea Leadsom]

hon. Friend agree that in order for small and medium-sized enterprises and personal current account customers to benefit in the future, we need a more diversified banking sector and we need to encourage more competition and to go beyond what the Vickers commission is doing by promoting it through the Financial Conduct Authority as well as through our implementation of the Independent Commission on Banking proposals.

Mr Osborne: I hesitate to read out bank share prices, as they might have changed in the 45 minutes I have been on my feet The reaction from the banks today has not dramatically affected the prices of UK bank shares. There has not been a dramatic fall, nor indeed a dramatic rise. They have remained broadly flat—unlike those of French and German banks, which are very substantially down today. What that also suggests is that John Vickers—and, I would argue, the Government—did a good job in trying to price the proposals into the share price by giving clear signposts about the way in which we were going, so that it did not come as a big surprise. I completely agree with my hon. Friend about the Financial Conduct Authority. As a member of the Select Committee, she can look at some of the Vickers' proposals potentially to change the FCA's remit. We need to consider that, as do Members who are looking at the Bill.

Mr George Mudie (Leeds East) (Lab): On ring-fencing, Vickers suggests 2019 as a back-stop, but page 151 of the report makes it clear that "efforts" should be

"made to complete it sooner."

Does the Chancellor accept that recommendation from Vickers and, if not, why not?

Mr Osborne: I, too, used the phrase "back-stop" in the statement. Vickers recommends that the changes be completed by 2019, but also recommended in his press conference that they be legislated for in this Parliament and that some of the changes might take place before that. We need to consider all these issues, but I think we need to pay attention to the 2019 date that Vickers sets out in his report.

Steve Baker (Wycombe) (Con): I congratulate the Chancellor on this report, but I believe it takes for granted the adequacy of accounting standards. Will he look again at the incentives and risks inherent in the international financial reporting standard?

Mr Osborne: Yes, I will certainly do that. One of the discussions going on in international circles at the moment is how to make all the various standard-setting bodies more accountable. They are very powerful institutions now and they are not really accountable to national Parliaments or international bodies that represent national Governments. Discussion is going on about how the Financial Stability Board, which is the organisation that brings together different banking areas and different countries to discuss regulation, might be able to make the international accounting standards more accountable.

Derek Twigg (Halton) (Lab): Small and medium-sized enterprises are going to be at the heart of any future economic recovery. I went around a number of businesses in my constituency during the summer recess and the message I was getting, which is different from what the Chancellor has said, was that they are still finding it difficult to get banks to provide lending and support. What is the Chancellor going to do about it? Those businesses cannot wait around for a few years for legislation to happen, so what is the Chancellor going to do today, next week and next month to improve the lending and support from banks, as it is still a problem for the businesses in my constituency?

Mr Osborne: I have already talked about how the Merlin agreements try to protect and indeed increase small and medium-sized business lending at a time when many of these banks are shrinking their balance-sheets, which were over-extended. We have talked a lot about timetables. The Lloyds divestment and the creation of a new challenger bank are things that have to be got on with this year. The offer has to be put to bidders this year and it must be completed by 2013—and, hopefully, sooner. In other words, we are encouraging the creation of a new presence on the high street, which should give the hon. Gentleman's constituents greater choice and competition.

Lorely Burt (Solihull) (LD): This report is warmly welcomed, as, indeed, is the Chancellor's response. It has to be said, however, that 2019 is a long time away. Will the Chancellor reassure the House, business and the public by publishing as soon as possible the specific route by which these recommendations will be implemented?

Mr Osborne: As I have said, the 2019 back-stop is the considered view of John Vickers and his commission. They have spent an enormous amount of time thinking about this, about trying to get the balance right between getting the rules in place, getting the rules right, and ensuring that they do not damage credit supply in the short term, about which many Members have asked. The report contains other milestones—some of the changes that he wants to see put into place by 2013, for example. John Vickers has done a good piece of work, and given a lot of thought to the issues, and I do not want to second-guess them just hours after he has published his report. We will produce a full, detailed response to the report by the end of the year.

Mr Chuka Umunna (Streatham) (Lab): The Chancellor has referred to Project Merlin, which is generally regarded as a fairly ineffectual agreement, not least because, according to Bank of England figures, net lending to small and medium-sized enterprises has contracted month on month. Across the House, we can agree that it would be undesirable for politicians to seek directly to run the banks in which we have a public stake, but surely that should not preclude the Chancellor asking United Kingdom Financial Investments Ltd to ensure that the banks change the culture that they exercise towards SMEs. When was the Chancellor's last discussion with UKFI about that?

Mr Osborne: I talk to UKFI all the time, and one of the things I talk about is ensuring that the banks in which we have a public ownership of shares are meeting their Merlin lending targets. I congratulate Lloyds, which has changed its operations and advertising campaigns and has tried to encourage small business lending. The

hon. Gentleman talks about targets, but again there is complete amnesia about the fact that Labour were in government about 18 months ago. The Labour Government introduced net lending targets, which he wants us to introduce, abandoned them after 12 months, after those targets were completely missed, and then said in the House of Commons that they would introduce gross lending targets for two banks, RBS and Lloyds. We have not just stuck with the methodology that they developed, but have extended it to the entire banking system. Before they criticise those trying to clear up the mess, Labour should remember what they did in office.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I welcome my right hon. Friend's comment that we should not confuse the interests of bank shareholders with those of taxpayers. Should we not also remind ourselves, however, that unless the shareholders are doing well, the bank balance sheets will not be doing well, and ultimately small business borrowers will not be doing well? He is winning the argument on the reforms, but will he reassure the House that he is mindful of the cost of capital of banks? By raising business costs for banks, we would be in danger not only of driving them offshore, but of raising the costs of capital for UK business.

Mr Osborne: Of course, that is the difficult balance that we all must get right. The challenge is to ensure that banks can lend well, as people have been asking them to, while at the same time ensuring that they have a greater cushion should things go wrong. In his report, one of the things that John Vickers points to is that if a bank is ring-fenced, its retail deposits are more likely to be used to support retail lending than to support an investment bank's activities. He thinks that the ring fence could positively enhance lending opportunities for ring-fenced banks.

Barry Gardiner (Brent North) (Lab): Given that Northern Rock had no investment arm and Lehmans had no retail arm, does the Chancellor have any sympathy with the view that ring-fencing will add little over the proper capital requirements and ethical investment decisions that Vickers calls for, save for £6 billion additional cost to the UK economy?

Mr Osborne: The short answer is no, I do not. On pages 31, 32 and 33, the report of John Vickers and his commission goes through how the reforms would have improved the situation regarding Northern Rock, Lehman Brothers, RBS and HBOS. We must remember that the reforms are in the round. I have been asked a lot about ring-fencing and retail lending, but there are also higher capital requirements, and a requirement for a loss-absorbing cushion for bondholders. Those changes would also have helped with Northern Rock. On top of that, the new regulatory regime would, I hope, have exercised more judgment.

Of course, the ring-fencing idea, which is just one of the four or five major recommendations, is only really relevant to universal banks. The only universal bank listed by the hon. Gentleman that went wrong is RBS. As is clear from the memoirs of the former Chancellor, ring-fencing would have helped enormously to resolve the problems of a very complex universal bank without the need for recourse to the taxpayer.

Sajid Javid (Bromsgrove) (Con): The ICB's ring-fencing proposals are not so very different from the Glass–Steagall provisions that existed in the United States. I worked for a United States bank under Glass–Steagall. I was also there when Glass–Steagall was abolished in 1999, and witnessed the adverse change in behaviour. On the basis of my experience at the coalface, may I reassure the Chancellor that he is right to welcome the proposals?

Mr Osborne: My hon. Friend—who wrote what I thought was a very good piece for *The Times*, published on 9 September—has made a point based on his personal experience. I may or may not offend someone when I say that he is probably the most senior former investment banker in the House of Commons.

Chris Ruane: There are none on this side.

Mr Osborne: That is because they leave the House of Commons and go to work for investment banks.

My hon. Friend's experience was that an investment bank had many incentives to use retail deposits to subsidise its activity. That was not always right, and Glass–Steagall helped to stop it. We are not reintroducing Glass–Steagall, or introducing it in the United Kingdom; we have a different set of proposals which John Vickers has spent time developing, and I think that they meet the challenge that my hon. Friend set out in his article.

Sir Stuart Bell (Middlesbrough) (Lab): The House will certainly have welcomed the statement that retail banks are likely in the future to funnel their deposits into domestic lending rather than the vast maw of the money markets. The Chancellor has said that there ought to be 10% capital for the retail banks. Presumably that is high-quality equity, and it is reported that a further 10% of non-equity may be required. May I ask the Chancellor to ensure that the capital requirements are no greater than those of Basel III? Too tall a requirement might cut across growth, and cut across lending to the small and medium-sized business sector.

Mr Osborne: The 10% capital requirement against risk-weighted assets is based on the same definition as, and goes a bit beyond, the Basel rules, which recommend 7%. At present, however, the Financial Stability Board is developing proposals to add 2.5% for large, systemically important banks such as RBS and Barclays. The difference will be between 9.5% and 10%, which is quite close, for the retail ring-fenced side. On the investment side, as I have said, the commission does not recommend going beyond the international rules in order to keep London competitive.

Claire Perry (Devizes) (Con): On that point, let me say that I welcome the careful timetable that has been set out. That is particularly important when the Government are prepared to act unilaterally, which the last Government were not prepared to do.

May I urge the Chancellor, when faced with the inevitable whingeing from banks saying that they are considering leaving the United Kingdom, to bear it in mind that the UK retail business is unbelievably profitable, and to say that banks that want to leave should exit their business or be invited to do so?

Mr Osborne: I agree with my hon. Friend that London and the United Kingdom constitute a very attractive place in which to locate a universal bank. We have what I think will be the best regulatory regime in the world, with the best regulators. We also have a good rule of law. This is a good place in which to live, and it happens to have a good time zone as well. All those factors make it a very good place from which to run financial services.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): The Chancellor may recall that the coalition agreement called for net lending targets for the nationalised banks. Why did the Project Merlin deal involve much weaker targets for gross lending?

Mr Osborne: Net lending targets were tried by the previous Government, and when we looked at that in detail on coming into office, we saw why they had failed so spectacularly, and decided not to repeat the mistake.

Nadhim Zahawi (Stratford-on-Avon) (Con): May I commend the Chancellor on setting up the commission and on making such an unambiguous statement today? Will he confirm that he has the full backing of the Government, and that No. 10 will not be unleashing the "forces of hell" on No. 11?

Mr Osborne: One thing that has dramatically changed under this Government is the relationship between those in No. 10 and No. 11. We not only talk to each other, but also occasionally share a friendly drink.

Mr Andrew Love (Edmonton) (Lab/Co-op): The commission appears to have diluted its interim proposal to place a duty on the regulator to promote competition, but the Treasury Committee stated in its report on this subject that that was a crucial recommendation. The Chancellor has mentioned the importance of competition on numerous occasions today. Will he look again at this recommendation and ensure that we maximise the opportunities to improve competition in the market for the benefit of consumers and taxpayers?

Mr Osborne: I do not think the hon. Gentleman is being entirely fair. A specific part of the report deals with the remit of the new Financial Conduct Authority, and it says that—although we have changed our proposal in the light of the interim report, as I announced at the Mansion House—we could go further and make the requirement to promote competition an overriding duty on the authority. We should look at that over the next couple of months. I would welcome the input of the Select Committee, and we could respond later this year.

Matthew Hancock (West Suffolk) (Con): On the impact of these reforms on lending, does the Chancellor agree that bad banks are bad for growth too, and therefore strengthening our banks and financial services industry, as proposed in the report, is good for the UK economy?

Mr Osborne: Yes, in short: I agree with my hon. Friend. John Vickers and his commissioners explicitly address the costs and benefits of these changes, and although they accept that there will be some additional costs, they will be more than outweighed by the broader benefits that include the benefits of having an environment in which banks are seen as more stable and the benefit to the UK economy of retail banks using their retail deposits to support retail lending.

Ian Murray (Edinburgh South) (Lab): Some 100,000 jobs in Edinburgh are reliant on the financial services sector, including many tens of thousands in my constituency. How can the Chancellor reassure the House and my constituents that the banks will not pay the cost of implementing the Vickers report recommendations by cutting my constituents' jobs?

Mr Osborne: Of course, one of the groups of people who are the innocent victims of what went wrong are the many people who worked in the branches of banks such as RBS and HBOS throughout the country and who lost their jobs even though they were not investment bankers working in the City of London or trading mortgage derivatives and so forth. I hope that we can now build a successful and competitive banking system that, in Scotland and elsewhere, hires people, opens branches and reverses the trend of recent years. Such groups of people have definitely been the innocent victims of what went wrong and we must do right by them.

Mr Robert Buckland (South Swindon) (Con): What impact does my right hon. Friend think these generally welcome proposals will have on the timing of the return of our nationalised banks to the private sector?

Mr Osborne: Of course, we all want to see the return of the banks to the private sector. If truth be told, the big fall in recent months in the share prices of these banks and others—American and European—around the world have pushed that timetable back a little further. I do not think that that is a surprise to anyone. Our objective is to get these banks back into private hands, and Northern Rock—the good part of Northern Rock, I should stress—is currently up for sale.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Many of my constituents worked for HBOS, and some of them still work for Lloyds TSB. Many of them—and many people throughout the country—would like to know whether the Banking Commission report will do anything to change the values and culture of the banking sector, which to them seems to have been characterised by greed, selfishness and irresponsibility. Is there anything in this report that will lead the sector to have higher standards of moral values and behaviour?

Mr Osborne: It will help to see a return of relationship banking, which disappeared over not just the past few years, but the past few decades. It will also make the people running large banks more focused on their retail arms and on delivering a good customer service. The arrival of new faces on the high street will also help to do that, because it will make people up their game. I am not sure that I would describe this as a return to "Captain Mainwaring banking", as it is sometimes described, because, as I recall from "Dad's Army", he was not very good at running anything. What we actually want is good relationship banking where banks understand their customers—

Chris Ruane (Vale of Clwyd) (Lab): We're all doomed.

Mr Osborne: The hon. Gentleman says we're all doomed, but the idea of these reforms is to ensure that we are not doomed in the future.

Jeremy Lefroy (Stafford) (Con): Following on from the Chancellor's answer to the hon. Member for Middlesbrough (Sir Stuart Bell), the figures in the Vickers report indicate that there will need to be between £200 billion and £400 billion of equity capital and other funds at risk within the ring fence. What impact will that have on the provision of capital and credit to business?

Mr Osborne: John Vickers explicitly examines the argument that this will somehow undermine credit and comes to the conclusion that it will not. He says that, first, because the broader benefits of a stable banking system to the banks themselves and to the economy outweigh the costs and, secondly, because retail banks will, as I say, be more encouraged to use their retail deposits to support retail lending.

Sheila Gilmore (Edinburgh East) (Lab): One of the forms of banking competition that many people in Britain want is the encouragement of more mutuals, with a legal safeguard to prevent them from being refloated. What plans does the Chancellor have to progress that agenda?

Mr Osborne: We do want to see more mutuals created—we have explicitly said that in relation to Northern Rock, while not ruling out other potential options for Northern Rock. We have also taken action to strengthen credit unions, which are another part of the piece. It will be good to see mutuals growing, and the proposals in the report, particularly those on competition and the switching of current accounts, will help the mutual sector.

Margot James (Stourbridge) (Con): I welcome the Chancellor's considered response to the Vickers report. Will he comment on the implications of the proposed reforms for his strategy of rebalancing the UK economy towards manufacturing and regions outside London and the south-east?

Mr Osborne: The proposals will help because they will mean that these universal banks will have retail banking arms, in a ring fence, that are very focused on getting lending going to the economy outside the centre of London. We may think of it like this: the boss of the Royal Bank of Scotland a couple of years ago would have had someone running NatWest—running a ring-fenced subsidiary—who would have been totally focused on trying to get NatWest lending as a successful retail bank, rather than worrying about whether they could take over a Dutch investment bank. The ring fence will mean that parts of a universal bank will be extremely focused on getting support to businesses, in the black country and elsewhere.

Geraint Davies (Swansea West) (Lab/Co-op): Eight years is a long time, given that we are facing a sovereign debt crisis across Europe and, possibly, the end of the euro in that time frame. Does the Chancellor accept that the taxpayer will continue to foot the bill in the event of an investment bank, such as Lehman's, collapsing? Does he accept that we will remain in a situation where bankers can take irresponsible risks and receive massive bonuses if they come up trumps, and where the taxpayer will continue to have to pay out if they go down?

Mr Osborne: The hon. Gentleman is being unnecessarily defeatist. I do not see why we cannot construct a regime that means we do not have to bail out banks when they fail. There are a number of different parts to this: requiring banks to hold more capital, including requiring people who hold bonds in the bank, as well as shareholders, to suffer a loss should the bank fail; the role of the regulator in preventing banks from doing stupid things, such as buying a big Dutch investment bank once the credit markets had already frozen up; and the proposals on ring-fencing. We have to work to get to a system where we are not standing behind banks that are too big to fail. If that were the case, we would end up with a banking system that is just a utility, and that would change the way in which banking interacts with our economy. We want banking to be successful and to be out there lending, but we want it to be properly regulated and we want to make sure that we do not have to stand behind it.

Jesse Norman (Hereford and South Herefordshire) (Con): I very much associate myself with the remarks about mutuals and credit unions, but I want to ask the Chancellor about what the commission says about competition, for which it has some excellent recommendations and it is all too easy to think that they apply merely to the retail sector. Does the Chancellor support the idea that we should be taking the wholesale sector as seriously as the retail sector, given that equity underwriting fees, for example, have gone from 2% 20 years ago to something like 4%, 5% or even 6% today?

Mr Osborne: My hon. Friend is right to raise the issue of competition in the investment banking sector. It is not often talked about outside the pages of the *Financial Times*, but it can be very uncompetitive, the fees can be exceptionally high, and there is that old maxim that no one ever got fired for hiring Goldman Sachs. The report will enable Britain to remain a home of competitive investment banking while protecting retail customers. That should encourage new entrants and drive down the fees that are charged. That would all be a good thing.

Mr William Bain (Glasgow North East) (Lab): In the first six months of this year, the five major UK banks lent £63 billion to non-financial corporations, excluding small and medium-sized enterprises. The Vickers recommendations would not oblige the banks to protect that lending via the 10% capital requirement for retail banks within the ring fence. Does the Chancellor agree with that recommendation, which would contribute to up to two thirds of all bank balance sheet holdings being outside the protection of the ring fence?

Mr Osborne: Again, I think we should trust the judgment of John Vickers and his commissioners. They explicitly considered whether to prescribe more closely than they have the scope of the ring fence—I am not talking about the height now, but the scope—and whether

[Mr George Osborne]

to include lending to larger corporates inside or outside it. They decided to leave that open to the banks. We will consider that advice and recommendation, but it strikes me as quite sensible to have some flexibility about the scope, if not necessarily the height, of the ring fence.

Naomi Long (Belfast East) (Alliance): I welcome the Chancellor's statement this afternoon. The availability of lending for small businesses and competition in personal banking are as significant to my constituents as they are to those of other Members. In Northern Ireland, however, both are impacted on directly by the Irish banks. What aspects of the report could inform the ongoing discussions with the Irish Government to ensure that those issues are effectively addressed for Northern Ireland businesses and individuals?

Mr Osborne: We are in near constant discussion with the Irish authorities about the Irish banks and their impact on the rest of the UK, including, of course, Northern Ireland. In the next few weeks, the UK will disburse the first part of its loan to Ireland, which formed part of the Bill that was passed through this House at the end of last year. Because we passed that Bill and made the loan to Ireland, we are around the table having that discussion all the time with the Irish authorities about the impact of the Irish banks on the rest of the UK. I do not think we would be at that table if we had not made that loan, and I assure the hon. Lady that both I and the Financial Secretary have been spending a huge amount of time on the Irish banks, and we are well aware of the impact on Northern Ireland. If she wants to talk to us about that at any time, we would be very willing to have that meeting.

Mr Speaker: I am grateful to the Chancellor.

Points of Order

4.43 pm

John Healey (Wentworth and Dearne) (Lab): On a point of order, Mr Speaker. Last week, this House was asked to debate, amend and agree the Health and Social Care Bill. We were asked to scrutinise that legislation with no updated information on the costs and consequences of the biggest reorganisation in NHS history, because the Government had promised a new impact assessment but had not published it before the debate. It was then smuggled out with no press statement the very next day and it shows that savings are planned at £2 billion less, it shows that the new economic regulator, Monitor, is set to have 600 staff at an average cost of £84,000 each and, most importantly to this House, on page three it shows that the Minister signed it off on 1 September, a full five days before the debate in this House. It is a disgrace that these facts were kept hidden from the House and the public before such a critical and controversial debate. In the light of page 447 of "Erskine May", can you advise this House whether the Government have followed the proper parliamentary procedure and of what steps can be taken to stop such abuse in the future?

Mr Speaker: I am grateful to the right hon. Gentleman for giving me notice of his point of order. He has made his point and it will have been heard by those on the Treasury Bench. Although the release of such information is a matter for the Government rather than for the Chair, I can tell him and the House that I do attach importance to the timely provision of information to the House, which is both courteous to Members and helpful in their deliberations. It is fortunate for the right hon. Gentleman and the House that at the time of his raising his point of order—this may not be a coincidence—the Leader of the House was sitting on the Treasury Bench. The Leader of the House is as courteous a man as is to be found on either side of the Chamber; he attaches importance to these matters and though he may not wish to respond to the point of order now, I can assure the House that he will have heard it.

The Leader of the House of Commons (Sir George Young) *indicated assent.*

Mr Speaker: I am grateful to him for hearing it.

Naomi Long (Belfast East) (Alliance): On a point of order, Mr Speaker. Further to a written question regarding Government policy on equality issues relating to gender-specific dress codes in the workplace, I was rather surprised when the Home Secretary replied outlining what she was wearing on the day in question—a grey trouser suit and some shoes from L. K. Bennett—and mentioned her personal preference for smart dress and her belief that such dress had never hampered her career. Intrigued, I inquired at the Table Office whether I could seek regular sartorial insights from Ministers via written questions. I was advised that because the choices Ministers make before leaving home, such as

"whether to wash, shave or wear blue underpants"

are entirely personal and are not part of their ministerial responsibility or subject to Government policy, it would not be in order for me to do so. Is it therefore in order for a Minister to answer an entirely orderly and serious

question regarding Government policy on an issue that has been raised with me by a constituent with what is a frivolous, albeit fascinating, fashion commentary?

Mr Speaker: The hon. Lady will understand immediately when I say that I do not regard myself as an authority on fashion. In response to points of order, I think an appropriate humility and self-denying ordinance on the part of this Chair would be prudent and seemly.

Chris Bryant (Rhondda) (Lab): Quite good ties though.

Mr Speaker: I am grateful to the hon. Gentleman for his sedentary intervention on the subject of ties, about which I do not intend to expatiate now or at any time from the Chair.

The hon. Lady kindly gave me notice of her point of order. What I would say to her, very seriously, is that the content of answers to parliamentary questions is a matter for the Government and not the Chair, and there are very good reasons, which will be immediately apparent to Members, why that should be so. The Chair cannot get into the business of acting as umpire or arbiter of the merit or demerit of a particular answer—only on the question of whether it is orderly. However, if the hon. Lady is dissatisfied with the answer, she should contact the Table Office to find other and perhaps further ways of pursuing the matter to obtain the satisfaction she seeks.

POLICE REFORM AND SOCIAL RESPONSIBILITY BILL (PROGRAMME) (NO. 3)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Police Reform and Social Responsibility Bill for the purpose of supplementing the Orders of 13 December 2010 and 30 March 2011 (Police Reform and Social Responsibility Bill (Programme) and Police Reform and Social Responsibility Bill (Programme) (No. 2)):

Consideration of Lords Amendments

1. Proceedings on consideration of Lords Amendments shall be taken at this day's sitting in the order shown in the first column of the following Table.

2. The proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

TABLE

Lords Amendments	*Time for conclusion of proceedings*
Nos. 1 to 4 and 6	8.00 pm
Nos. 5, 7 to 52, 54, 55, 58, 60 to 168, 53, 56, 57, 59, 169 and 170	10.00 pm

Subsequent stages

3. Any further Message from the Lords may be considered forthwith without any Question being put.

4. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—*(Stephen Crabb.)*

Question agreed to.

Police Reform and Social Responsibility Bill

Consideration of Lords amendments

Clause 1

POLICE AND CRIME COMMISSIONERS

4.49 pm

The Minister for Policing and Criminal Justice (Nick Herbert): I beg to move, That this House disagrees with Lords amendment 1.

Mr Speaker: With this it will be convenient to consider Lords amendments 2 to 4 and 6, Government motions to disagree, Government amendments (a) to (d) in lieu, amendment (i) to Government amendment (a) in lieu and amendment (ii) to Government amendment (b) in lieu.

Nick Herbert: This Government are determined to swap bureaucratic control of the police for local democratic accountability, replacing police authorities with directly elected commissioners. In the past there has been too much central interference with decisions that should have been taken locally and by professionals, yet too often the centre has been weak where it needed to be strong, such as in ensuring the fight against serious and organised crime or better co-ordination between forces. Our aim is to reverse this position, giving greater freedom to professionals to do their job and sweeping away central interference and bureaucracy, while refocusing the Home Office on key priorities and threats.

But we cannot just take away central direction and leave the police to get on with it. Like any public service, the police must answer to someone. Politicians do not and should not run the police, but they should and they must hold the police to account on behalf of the public whom the police serve. Officers must be accountable for their actions and forces must be accountable for their performance. Both parties in the coalition were committed in their manifestos at the last election, in differing ways, to enhancing the democratic accountability of policing. The coalition agreement pledged the introduction of directly elected individuals, subject to strict checks and balances, by locally elected representatives.

The Bill seeks to establish clear and democratically accountable leadership for police governance, but amendments in another place would remove those provisions. The Lords amendments do not try to increase the local accountability of the police. They do not even try to ensure that there are adequate checks and balances in place. The amendments simply say that the status quo should be preserved and that the chair of a police authority should be called a police and crime commissioner. This rebranding of the status quo will not suffice.

The whole purpose of the Government's reform and its strength is that local councillors will still be involved in the governance of policing, but an elected individual, with a mandate from the people, will take the executive decisions.

Chris Bryant (Rhondda) (Lab): The Minister is preaching a great sermon on how everything will be transformed by the creation of commissioners, but my concern is that what he means by the word "local" is not at all

[Chris Bryant]

what is going to be brought about. The South Wales police force area covering Swansea and Cardiff—two cities that have never particularly loved each other—and large chunks of the valleys, which have a very different policing agenda from those two cities, could not possibly be constituted as a single political unit by anybody who was starting afresh. So my worry is that there will be less political accountability to local people and more accountability to one individual, who will probably be more likely to represent somebody in Cardiff and Swansea than somebody in the valleys.

Nick Herbert: Although I think there is a serious debate to be had, I disagree with the hon. Gentleman for a number of reasons, principally that he may be making an argument for smaller forces—that is not a proposal that the Government are making, or one that, I suspect, the Opposition would support. Also, if a single chief constable can be in charge of that whole force and be responsible for the operation of the force across the varied area that the hon. Gentleman describes, why should not a single individual be capable of holding that chief constable to account? In London we have seen the Mayor taking responsibility for policing over a very much greater population, including a diverse population with a large number of local authority components.

Chris Bryant: What I have found in the past few years in South Wales police is that although it is true that the chief constable is not particularly accountable, what has made the police accountable is the local PACT—Police and Communities Together—meetings, where members of the public get to know they can get in touch with their local beat police officer. It is that transformation of the police that will render policing far more effective, rather than the somewhat bureaucratic system that the Minister is setting up.

Nick Herbert: We are hardly setting up a bureaucratic system. It is one that involves direct democratic accountability. The two things that the hon. Gentleman describes are not mutually exclusive. It is possible to maintain neighbourhood policing and local accountability while still introducing direct democratic accountability and governance, for the reasons that I set out.

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): I must say that I disagree with my hon. Friend the Member for Rhondda (Chris Bryant) on the usefulness of PACT meetings. The Minister referred to accountability and to the Metropolitan police. There is an issue with the governance of the Metropolitan police, because they do not and will not have a police commissioner, as that is part of the Mayor of London's muddle of responsibilities. Of course, the Metropolitan police's activities go far beyond London and have implications not only for other parts of England but for Scotland and Wales, yet we have a Mayor with devolved responsibility getting rid of a Metropolitan Police Commissioner. Is there not a bit of a muddle over the accountability issues right across this new pattern of policing?

Nick Herbert: I do not accept that there is a muddle. The right hon. Gentleman will know that it was the previous Government who set up the current governance arrangements in London. The Metropolitan police have national policing responsibilities and therefore answer in part to the Home Secretary, which makes them unique. However, the reforms in London to give greater local accountability have been popular with the public, and it is that principle that we seek to extend. Indeed, the principle of having one accountable individual directly responsible for the totality of force activity is crucial to the Government's vision. Policing governance by committee has led to an unelected body having power over the precept, with no one being properly held to account for decisions or poor performance and no one truly being in charge.

Mark Tami (Alyn and Deeside) (Lab): The Minister states that this whole idea is popular. What does he base that on, because all the information I have seen indicates that the public do not want this?

Nick Herbert: If the hon. Gentleman had been paying attention, he would know that I was talking about the popularity of the reform that his Government introduced —the introduction of the Mayor of London. Evidence from opinion polls shows that a large majority of the public welcome the idea of enhanced local accountability for policing.

The public have not had a voice. As the shadow policing Minister, the hon. Member for Gedling (Vernon Coaker), has pointed out:

> "Under the current system, 93 per cent of the country has no direct, elected representation."

Indeed, only 7% of wards in England and Wales are represented on a police authority, so it is no surprise that only 7% of the public understand that they can approach their police authority if they are dissatisfied with policing. Most people have no clue who their police authority chair is. How can a body be an effective link between the police and the people if it is invisible to the people? I agree with the former policing Minister, who said that people must "know who to go to" and be

> "able to influence their policing through the ballot box."

That was the hon. Member for Gedling.

Some say that this visibility does not matter and, provided that a wise committee takes the right decisions, there is no need to refer to the people. That is the argument that favours rule by quangos over democratic decision making. The defenders of the current system of governance say that it works well, but I am afraid that I disagree. Only four of the 22 inspected police authorities were assessed by Her Majesty's inspectorate of constabulary and the Audit Commission as performing well in their most critical functions. I understand why police authorities oppose their own abolition, but there are few who believe that the authorities can remain in their current form. Even the Opposition do not share that view.

Keith Vaz (Leicester East) (Lab): I welcome the Minister back to the Dispatch Box after his recent illness. We have missed him. There have been riots and both the commissioner and the head of counter-terrorism have resigned, so the Minister's re-emergence provides great stability for all of us who are interested in policing issues. I agree with him about the invisibility of police authorities. The Home Affairs Committee considered this matter in the last Parliament when the Government

wanted to introduce an element of election. What concerns me is the progress on the protocol, which the Committee believed was extremely important in defining the relationship between the chief constable and the new police and crime commissioner. If he does not plan to refer to this later in his speech, will he tell us now what is happening about the protocol?

Nick Herbert: I share the right hon. Gentleman's concern to ensure that we get the protocol right. We have made very good progress with it, and I will deal directly with those remarks, if I may, later in my speech. I also thank him for his kind words.

5 pm

I was making the point that Opposition Members do not share the view that police authorities can remain in their current form. Even the right hon. Member for Morley and Outwood (Ed Balls), hardly a champion—in so far as I am aware—of reform in any sphere, was forced to concede when he was shadow Home Secretary that police authorities were "not optimal". Twice before, the Labour party tried to reform police authorities and to introduce democratic accountability into policing, but it backed off in the face of vested interests. We intend to see this reform through.

In Committee, the shadow policing Minister proposed directly elected chairs of police authorities. He felt so strongly that this was the right idea that he pushed it to the vote. So, there we have it: the shadow Home Secretary says that

"elected chiefs would make things worse."

The shadow police Minister says that

"only direct election...will deliver the strong connection to the public which is critical."

Which is it?

The right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) claims that extremists might be elected, but why would that not happen under her own Front Benchers' plans for directly elected chairs? We know what the shadow Minister thinks about the arguments that extremists might be elected. He has said in past that those arguments are "ridiculous"—and they are.

The British National party polled just 2% of the national vote in the general election. It has never won direct election in any constituency larger than a local authority ward; and, in fact, it has never come better than third. It is simply inconceivable that the BNP could win a majority of votes in an area as large as a police force area; inconceivable that a BNP candidate would be one of two going forward to a count on second preferences; and inconceivable that they would take sufficient second preferences from other parties to win. So saying that extremists will win such elections, as the shadow Home Secretary has today, is silly and irresponsible scaremongering, and she should stop it now.

The right hon. Lady has also criticised the cost of the elections, but the shadow Minister's proposal would actually cost more, and the truth is that Opposition Members know that they cannot defend the status quo. They have three times supported democratic reform, but they just do not want to admit it—just as they do not want to admit that they would cut police spending by more than £1 billion.

Chris Bryant: Will the right hon. Gentleman give way?

Nick Herbert: I am just going to make a little more progress. Let me deal with costs, and then I will come back to the hon. Gentleman.

The shadow Home Secretary says that the reform will cost "well over £100 million". No, it will not. She reaches that figure by counting in the running costs of police authorities—money that, apparently, should not be spent. So, this is Labour's latest policy: not just no elections for those who hold the police to account, but no one to hold them to account at all—because, apparently, police authorities would go as well.

The only additional cost of the Government's reforms is the cost of elections. That will normally be £50 million every four years, £12.5 million a year on average, or 0.1% of what is spent on police forces.

Keith Vaz: The argument over the figure of £100 million will go on, but it is now accepted that the postponed election will cost £25 million, and that equates to 2,000 extra police officers.

Nick Herbert: No.

Keith Vaz: The right hon. Gentleman may disagree, but the fact that the postponed election will cost £25 million is not in dispute, is it?

Nick Herbert: I will come to that immediately. There will be a one-off additional cost for holding the elections in November next year, rather than in May, and the cost will indeed increase: it will increase from 0.1% of police spend to 0.15%, and then it will go back down to 0.1% again. So, this is apparently the full weight of the Opposition's argument: a delay in holding an election will temporarily cost 0.05% of police spend. That is a risible case.

Mark Tami: But why is there a delay? The whole House knows why: it is because the Liberal Democrats do not want the elections on that day—despite the fact that the Liberal Democrat leader has previously said that the electorate are perfectly capable of understanding different elections on the same day.

Nick Herbert: Hon. Members have spent their whole time trying either to stop the reform or to delay it, and now, when an introduction is delayed for a few months, they apparently do not want that, either.

The central point is that, in any case, the cost of elections is not going to come from police budgets. It is just nonsense to claim that the money for elections could instead be spent on police officers. That is a poor argument. It ill behoves an elected politician to complain about the cost of democracy. It was Labour that made the police more accountable to a new Mayor of London. The referendum itself cost £3 million to conduct, and the elections still cost £18 million every four years. Did Labour then say that this money could be better spent on police officers? No, of course not. If greater democratic accountability is a price worth paying in London for a quarter of all policing, why not in the rest of the country?

Vernon Coaker (Gedling) (Lab): The Minister will know that the impact assessment said originally that the cost of elections was £50 million. He will also know that the Prime Minister told us, and he has confirmed, that additional costs for the one-off election were another £25 million. Will he also confirm that the impact assessment contains £37 million of transition costs to the new arrangements, which do take the figure to over £100 million?

Nick Herbert: No, I do not accept what the Opposition have constantly been saying, which is that the overall cost of this reform is over £100 million. That is based on a figure that the Association of Police Authorities has been using, where it appears that it has been counting two elections into the cost. I go back to the point that I have made: the only additional, ongoing cost in relation to this reform is the cost of holding elections. It is a very bad argument to suggest that a democratic reform should not go ahead simply because elections will cost money, and it is not an argument that Labour Members were willing to use in the past when they supported all sorts of proposals for elections, including in relation to the Mayor of London.

I now give way to the hon. Member for Rhondda (Chris Bryant), who has been very patient.

Chris Bryant: I have never supported the politicising of the police, and I will not do so under the Minister's plans. My anxiety is that when a politician comes along, they usually do not just want a little office in the corner; they want lots of other people to service that office. I suspect that the cost that he is allowing for now will be hideously understated by the time we have had these people in place for four years. However, the bit that I completely do not understand is why we have to have elections next November. Surely, if we were trying to save money and one believed in having these elections, they should be at the same time as the other local elections six months later.

Nick Herbert: I will come to that issue. However, I will say to the hon. Gentleman now that if the elections were delayed for a further six months to take them to May 2013, incoming police and crime commissioners would be unable to participate in the budget that would already have been set for that year. They would be unable to take the key decisions—*[Interruption.]* It will still be the case, even though the elections will be delayed by six months, that incoming police and crime commissioners will be able to set the budget and the plan for the following year, as originally intended. I do not accept that there would be no difference as a result of a delay until the following year.

Chris Bryant *rose—*

Nick Herbert: If the hon. Gentleman will forgive me, I am going to move on.

I want to come back to the issue of London's Mayor, which was much discussed in the other place, as it has been here. I want to credit the Opposition for the creation of the office of Mayor, which, as I have said before, has been a popular reform. As we debate these issues, the Mayor has been playing a key role in the decision over who will next lead the Metropolitan police. He has given Londoners an important voice in policing. How many Londoners would prefer their police force to answer to an invisible committee? Now the Opposition are criticising the Mayor's role in policing—well, they invented it. Of course the Opposition do not like the current Mayor. They may not like what he does, but that is not a reason to dislike the office or to object to the same principle of greater democratic accountability being introduced in the rest of the country.

Let us be clear: the Mayor does not run the police in London; he holds them to account, and that is the principle that we are advancing. The British model of impartial policing must be retained, and it will be retained. Our aim is not to abandon the tripartite arrangement of police governance between the Home Office, local representatives and forces, but to rebalance it.

Keith Vaz: The name of the new Metropolitan Police Commissioner has been announced as the Minister has been speaking from the Dispatch Box, and I am sure that the right hon. Gentleman will tell the House who it is. I will leave it to him to make the announcement rather than me. [HON. MEMBERS: "Go on!"] No, no, no. I do not want to spoil the fun. *[Interruption.]* Perhaps the Minister does not know, but it has just been announced. Will he assure the House that it was done with the full agreement of the Mayor of London, that there was no dispute, and that we will all now be able to unite behind the new commissioner, whose name, I think, is winging its way over to him as I speak?

Nick Herbert: I am sorry to disappoint the right hon. Gentleman, but I am not going to make an announcement before it is confirmed to me that the name has been formally announced.

To prevent too much power from being vested in a single individual, we are putting in place strict checks and balances. This is an important part of the argument. The checks and balances include local police and crime panels with representatives from each local authority and independent members, which will have the power to scrutinise the commissioner's actions. District councils will have a stake in police governance for the first time. They do not currently have that position in police authorities. The panels will have teeth. They will have the power of veto over excessive precepts and the appointment of chief constables, and they will have the weapon of transparency.

We have listened to concerns and have strengthened the safeguards in the other place. I will go into the detail of those changes when we discuss them later. However, I want to highlight three important areas where we have listened, not least to the professional advice of senior police officers, and acted. First, in response to the point made by the Chairman of the Home Affairs Committee on the operational independence of the police, it is fundamental to the British system that the police remain operationally independent. No politician can tell a constable—a sworn officer of the Crown—who to arrest. Forces will continue to be under the legal direction and control of their chief constable. There is no change in those legal arrangements.

Since the Bill left this House, the Government have published a draft protocol that clearly sets out the roles of the chief constable and the police and crime commissioner, and how they and the other actors, including the police and crime panel, will interact. We did that

partly in response to the recommendation of the Home Affairs Committee. Senior chief constables, including senior leaders of the Metropolitan police, welcomed the publication of the draft protocol. They have said that it provides clear direction on the future roles of chief constables, police and crime commissioners and the Home Secretary, and that it ensures the balance between operational independence and appropriate public accountability. I agree with chief constables that we must include in the protocol the fact that the police and crime commissioner must set the strategic direction and objectives of the force and decide the budget of the force, while being clear that chief constables remain operationally independent.

We also amended the Bill in the other place to make it a statutory requirement for the Home Secretary to issue the protocol. This work is not over. We will continue to work closely with the Association of Chief Police Officers and others to ensure that the protocol covers all the necessary issues in the necessary depth. It is vital that we get this right. We have made tangible progress in ensuring that the operational independence of police officers will be protected under this Bill.

Mark Tami *rose—*

Nick Herbert: I give way one last time to the hon. Gentleman.

Mark Tami: Does the Minister not accept that somebody standing in an election may well have a programme that will impact on operational independence? Does he not recognise that there could be such a clash?

Nick Herbert: The protocol is intended to govern the relationship and it will be issued by the Home Secretary. The legal control and direction of the force will remain, as I said, with the chief constable. The protocol describes the appropriate legal arrangements. I have no doubt that, as we have seen in London, those who stand for election will understand that.

Secondly, we will ensure that policing in this country is able to deal with national threats. It has been suggested that police and crime commissioners will be focused on local issues to the exclusion of those that require a strategic response, making them too parochial. I disagree. PCCs will be responsible and accountable to the public for the totality of policing. However, the fight against terrorism and against serious and organised crime is an area in which the central Government have a legitimate role.

The new national crime agency, working with police forces, will transform the fight against organised crime. The Home Secretary will issue a strategic policing requirement, which will guide forces on their responsibilities for serious and cross-boundary policing challenges such as terrorism, organised crime, public order and responding to major incidents and emergencies. Police and crime commissioners and chief constables will be under strong duties to have regard to that requirement. This is not about addressing a problem created by the introduction of police and crime commissioners. The strategic policing requirement, alongside the national crime agency, is a critical refocusing of the Government's role to address an existing set of policing challenges for which the response to date has been lacking. We continue to work closely with the police service to ensure that that happens. The passing of the Bill will by no means be the end of the conversation, but let me be clear: ensuring that police forces can continue to deliver on national and strategic issues, and meet national threats, remains a priority for me and for this Government.

5.15 pm

Thirdly, we will ensure that policing is not politicised. We judge that it would be both wrong in principle and unworkable in practice to ban political parties from fielding candidates as police and crime commissioners, although some suggested that. However, that does not mean that party politics will be introduced into police forces. Commissioners will not be permitted to appoint political advisers. Police and crime commissioners will be permitted to direct officers to make an arrest no more than a police authority is so permitted. They will not be permitted to sack or appoint officers other than chief constables. We have strengthened the safeguards relating to the dismissal of chiefs by ensuring that the police and crime panel hears from both the chief constable and the police and crime commissioner, as well as by ensuring that they have the opportunity to get advice from Her Majesty's inspectorate of constabulary.

Additionally, we will ensure, through regulations, that proper procedures are put in place. Police and crime commissioners must have the power to dismiss chief constables, just as police authorities currently do, but we must guard against capricious decisions, and we will put in place the arrangements to ensure that we do so.

Chris Bryant *rose—*

Nick Herbert: I will give way quickly to the hon. Gentleman, who can also have a final intervention.

Chris Bryant: If what the Minister says is true, how could Boris Johnson, the Mayor of London, say that the phone hacking allegations were just codswallop, and that the police should not investigate because the story was dreamt up by the Labour party?

Nick Herbert: I apologise to the hon. Gentleman, but I was reading a note and was not properly listening to what he said. Will he say it again?

Chris Bryant: Do concentrate! If all of what the Minister says is true—that the police and their operational independence should not be politicised—how can it be right for the Mayor of London, Boris Johnson, to say that the phone hacking allegations at the *News of the World* were codswallop, and that the police should not investigate any further because it was a story got up by the Labour party?

Nick Herbert: Surely the hon. Gentleman misses the key point. First, the Mayor should not seek to direct an investigation any more than the Home Secretary should. Secondly, the Mayor will be held accountable for all issues, which is what Londoners expect. The point is that, before the Mayor, accountability was invisible. We seek to introduce that greater accountability elsewhere. The issue is not whether the hon. Gentleman thinks that

[Nick Herbert]

the Mayor was right or wrong. There is now a figure who can be held accountable for the performance of the Met.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): The Minister will know of the constabulary of Dyfed-Powys police in west Wales. There are probably 15 elected politicians of various parties representing people for that area, including in the Welsh Assembly. Does he agree that if there were any hint of a police commissioner taking a political line, the 14 other elected members of various assemblies and Parliaments would hold him to account and ensure that that did not happen?

Nick Herbert: I agree with my hon. Friend. We are putting in place very strong accountability arrangements, but also checks and balances and transparency. That will ensure the visibility of decisions when they are taken. Panels of locally elected members will be able to hold the commissioner to account and to scrutinise the decisions that are made. All of that will be done in full view of the public, in a way that the current proceedings of police authorities simply are not.

I am afraid that I must briefly detain the House on other formal matters before us. In lieu of the Lords amendments, I shall move a Government amendment to re-establish the Secretary of State's power to issue a financial management code of practice for police and crime commissioners. A code of practice is currently issued to police authorities, which are required to have regard to it in the discharge of their financial functions. This enables the Home Office accounting officer to assure Parliament that funds given to the Department are used appropriately.

The Bill repeals the general power to issue codes of practice to police authorities under which the existing financial management code was issued. To ensure that we adhere to the principles of financial regularity, propriety and value for money, we propose that the Bill be amended to retain the power to issue codes of practice, but to restrict it to codes relating to financial matters only. The code will set out to PCCs and chief constables how they are expected to conduct the financial management within their force area and ensure good governance of public funds, the majority of which fall within the ambit of the vote from this place. It will be the responsibility of the Government to ensure that the code is fit for purpose and that it enables a PCC to set a budget that is responsible and, crucially, responds to the needs of their local communities and priorities. As such, I cannot agree with the Opposition amendments.

Government amendment (b) in lieu of Lords amendments 1 to 4 and of Lords amendment 6 will move back the date of PCC elections by six months, from May 2012 to November 2012, to allow more time to ensure that all the necessary preparations are in place. That will give good quality candidates, including—I hope—independents, the time to come forward, plan and campaign. PCCs will still be able to lead the strategic planning for 2013-14, as originally proposed—that was the point I made to the hon. Member for Rhondda. Thereafter, elections will revert to May every four years. Reform in London can still take place early because the Mayor is already in place.

In respect of the amendment giving the Welsh Assembly the power to set the first election date in Wales, the Government have placed on the record, in this House and another place, the efforts and negotiations in which I took part and which we undertook with the Welsh Government in order that the National Assembly for Wales could play a stronger role within policing governance in Wales. We have made it clear that we cannot legislate potential to provide two different systems of governance within England and Wales. Moreover, we cannot withhold from the people of Wales the necessary reform that will give them a stronger voice and visible accountability for how policing is delivered within their four police force areas by delaying the implementation of these reforms until the National Assembly sees fit. As the House knows—and, indeed, has determined through statute—policing remains a reserved matter and therefore the House shall decide when and how policing governance will be delivered. That said, we hope soon to restart constructive discussions with the Welsh Government so that they can consider positively how to work in partnership with both PCCs and police and crime panels.

In conclusion, these reforms are essential to address the democratic deficit in policing, to end the era of central Government's bureaucratic control, to reduce crime and antisocial behaviour and to drive value for money. There will be benefits all round. Chief constables will be liberated from targets and central direction so that they can be crime fighters. Police officers will benefit from a less bureaucratic system in which discretion is restored and someone close to their force has a strong interest in driving out waste and prioritising the front line. Local authorities will benefit from a continuing say in the governance of policing, and district councils will have a role for the first time. The taxpayer will see better value for value money as commissioners, who will have responsibility for the precept, focus relentlessly on efficiency in their forces. Local policing will benefit from a strong democratic input, focusing attention on issues of public concern. The Home Office will be focused on its proper role, especially to address national threats and to co-ordinate strategic action and collaboration between forces. Above all, the public will have a voice in how they are policed. PCCs will have the mandate and the moral authority to reflect public concern about crime.

In the end, the House has a choice. The shadow Home Secretary repeatedly described elected police commissioners as a "US-style reform". It is striking that Labour seems to think that democratic election and accountability are un-British. The Government trust the people to elect representatives to make the right decisions and to kick them out if they do not. It is strange that so many democrats are so wary of democracy. I believe that we can and should trust the people.

Vernon Coaker: With the indulgence of the House, let me start by endorsing the comments that the Chair of the Home Affairs Committee made in welcoming the Minister back to full health. I know that the Minister has not been too well, and we missed him on the TV over the summer. In all sincerity, I am pleased that he is back and functioning well.

However, I do not intend to let my feelings of good will towards the Minister prevent me from saying that for a moment at the end of his speech it was like being in church—the "Hallelujah Chorus" was all that was

needed to illustrate the promised land to which the Minister believes he is taking us. However, let us be clear about this: what we are doing is quite extraordinary. We are not just repairing a bit of damage or tweaking that the Lords have done; what the Minister is having to do—and in a way that is hugely embarrassing for the Government—is reinsert in the Bill the whole concept of police and crime commissioners. In other words, he is having to reinsert the absolutely fundamental principle of the Bill.

However, one would not have known that from what the Minister said, which was that what we are doing today is nothing more than a tidying-up exercise—a bit of tweaking that the Government have found it necessary to do to ensure that the Lords did not inadvertently cause a problem that they had not intended. However, let us be clear: the Lords absolutely wanted to create a problem for the Government on this issue. What they were saying was that, unlike the Government, they recognise that the proposal has absolutely no support in the country. The only people who support the policy are the Minister, a few of his friends, a couple of people at No. 10 Downing street, a few Back Benchers, a couple of think-tanks and the whipped masses, who we will no doubt see later.

Mr Aidan Burley (Cannock Chase) (Con): Will the hon. Gentleman give way?

Vernon Coaker: I will in a moment; I am just getting going. If the hon. Gentleman lets me, I will make a few points and then give way to him—he served on the Committee.

One of my hon. Friends asked the Minister where the evidence was that there was a demand for his proposal out there in the country. The answer was that there was none. I and many others have consistently asked the Minister to publish the results of the public consultation on "Policing in the 21st Century", a document to which there were approximately 800 responses. We have not heard a word from a Minister about those 800 responses. I wonder why that is. I am sure that if a large number of those responses had been in favour of the proposal, the Minister would have published every one. However, he cannot do that, because we know that very few of those responses were in favour. This Government—who, we are told, are in favour of listening to the people, in this new dawn of not imposing things—say that in this instance they know best. The fact that nobody supports the proposal does not matter to the Minister.

Mr Burley *rose—*

Vernon Coaker: Don't worry; I have not forgotten the hon. Gentleman.

The same goes for councils. We have just heard about the objections of the Local Government Association and the Association of Police Authorities. The Minister's answer to them is: "We don't care what you say—you're dinosaurs. You're in the way of me reaching the promised land; you're in the way of me reaching what I regard as the best reform. You're people who are out of touch. You will inevitably vote against this proposal because it's like turkeys voting for Christmas." However, there are individuals on those local councils and police authorities—members of all parties or none—who have dedicated their lives to the service of their communities and to policing in their communities who fundamentally believe that the Government's proposal is a bad reform. To dismiss them purely as people who do not want to vote themselves out of a job does them no service at all.

Mr Burley: The hon. Gentleman says that there is no support for the reform, but let me read him two quotations. The first is from the Lib Dems' manifesto, which says on page 72 that they will

"Give local people a real say over their police force through the direct election of police authorities."

This is the second quotation:

"only direct election, based on geographic constituencies, will deliver the strong connection to the public which is critical".

That was the hon. Gentleman himself, in a speech in 2008. Rather than there being no support for reform, is it not true that the case for reform of police governance has been made right across the political spectrum?

Vernon Coaker: I hope that the hon. Gentleman was not just reading that out; he normally does better than simply reading out Whips' documents. He will remember, as I do, that in Committee the Liberal Democrats actually voted against their own amendments—

Mike Crockart (Edinburgh West) (LD): Once.

Vernon Coaker: I am glad that the hon. Gentleman admits it. I have never known anyone vote against their own amendments, but there we go.

5.30 pm

The hon. Member for Cannock Chase (Mr Burley) will know that the Liberal Democrats did not propose that one individual should be directly elected to hold the police to account. Their manifesto proposal was for directly elected police authorities, with a multiplicity of people holding the police to account. He will also be aware that the Green Paper that the last Government introduced in 2008 proposed a model not totally dissimilar from what the Liberal Democrats proposed at the last election. It is also interesting to witness the difference in approach between those who go out to consultation and listen to what people say, and those who go out to consultation and say, "We don't care what you said. We're going to do this anyway."

Mr Burley: I agree with nearly everything that the hon. Gentleman has just said. The point is that there is cross-party agreement on the need for reform of police authorities, but there is disagreement on the form that the new model should take.

Vernon Coaker: I do not think there has ever been any disagreement, either in Committee or in any of our other debates on police governance, about the need to make police authorities more visible and find ways of helping them to work more successfully in their neighbourhoods. That has never been in doubt. However, people have certain concerns relating to the introduction of direct elections—whether using the model involving a directly elected police authority, or the one involving a directly elected individual—and I will discuss those worries in due course.

[Vernon Coaker]

The Minister has failed to provide the House with the evidence for why the Government are taking forward these reforms. He says that there is support for them, but he has failed to put any evidence for that before the House. Let us look at the detail of the Bill. Interestingly, when the Minister argues against the points that have been made on this matter, he simply says that people are wrong, and that he does not agree with them. However, we all know that there are serious issues involved that need to be addressed. He and the Liberal Democrats might have sorted out a way of getting the Bill through, but that does not negate the real concerns that were mentioned by Members on both sides in Committee and that have been mentioned again since.

The Minister says that there is no way in which a police and crime commissioner would be able to influence a chief constable or interfere with the operational independence of the police. He dismisses the politicisation argument with a sweep of his hand, but he knows that real concerns have been expressed about operational independence and politicisation. It is worth repeating some of the points that have been made. Let us imagine that, if the Bill is passed, an election will take place at some time in the distant future, perhaps on 15 November 2012 or on the first Thursday in May 2013. What are the manifesto commitments that the candidates for police and crime commissioner are going to stand on? They are not going to stand on the promise of a better counter-terrorism policy or a decent fraud policy for the pensioners of their area. What they are going to stand on is something like, "We want to see police stations kept open in our community," or "We want to see more visible police officers going up and down our streets every single day." That is the sort of manifesto on which police and crime commissioners will stand.

By putting these provisions back into the Bill, the Minister makes it difficult for us to believe that there will not be a conflict between someone elected on a manifesto like that and a chief constable who says, "Hang on a minute. I don't think that is the right policing priority for this area. The right policing priority for this area is not having police in that neighbourhood. My professional judgment says that they should be placed here, and there. I am going to take some officers from their duty in that neighbourhood and put them into a domestic or sexual violence unit or a fraud unit. These will be front-line officers, but not in the sense of being visible uniformed officers on the street."

Mark Tami: Will my hon. Friend give way?

Vernon Coaker: I said that I would give way to the hon. Member for Cannock Chase (Mr Burley) first.

Mr Burley: The hon. Gentleman makes an important point, but he lulls us into thinking that this is a new thing. Was not Tony Blair's summit on knife crime when he was Prime Minister—when he called all the chief constables to No. 10 Downing street to discuss what could be done about that crime—an example of a politician quite rightly reflecting public concern over a type of crime and influencing the police to do something about it? Is that not exactly the same as the power of influence that the police and crime commissioners will have, and is it not a good thing?

Vernon Coaker: Obviously, people try to influence what the police do. I have no problem with that and, of course, I sat on some of the summits that the Prime Minister called, which brought chief constables together to deal with a national issue of importance and concern. What is different is where someone is elected on a manifesto at a local level, which might contain specific commitments about what should happen in that local area. That is the fundamental difference between those circumstances and what the Bill proposes.

Mr Burley: Could not a local person stand on a platform of cracking down on knife crime in the local area? What is the difference between that local person saying that and a democratically elected Prime Minister doing the same at the national level?

Vernon Coaker: Because the person will have a specific local democratic mandate and will have been elected on certain pledges, it is different from a Prime Minister or other national politicians responding to a problem that has arisen and working with the police to try to deal with it. The context is totally different.

Mark Tami: Before my hon. Friend moves away from specialist units, their work is very important, but the general public might not see what those officers are doing in the local area. Such units are often set up because of the failings of traditional policing after tragic events like the Soham murders or other instances when the police forces might have failed to work effectively together.

Vernon Coaker: That is the point I am making. Front-line officers are not just uniformed officers visible on the street; they might include officers in the specialist units to which my hon. Friend refers. I agree that they are particularly important.

Alun Michael: Does my hon. Friend agree that there is a big difference between this and the approach adopted under the Labour Government, which was about highlighting a problem or concern when something needed to be done? It was about how to hear from the police and how to learn from them about what was needed to tackle issues like antisocial behaviour, for instance, thereby providing the tools necessary to do the job. It was about teamwork between the Government the police, which contrasts greatly with what is happening now.

Vernon Coaker: That is absolutely right. The teamwork, collaboration and partnership working was, I think, one of the consequences of a Bill that my right hon. Friend took through in 1998. I believe that was one of the most successful reforms carried out under the last Government.

Let me deal with a fundamental issue that will be dealt with more fully in the next group of amendments. It is important, so I shall refer to it now, as it is one of the crucial issues on which the hon. Member for Cannock Chase might want to reflect further. When Tony Blair was Prime Minister, one thing he could not do was sack chief constables in individual areas. Under the Bill, however, the police and crime commissioner will be

able to sack the chief constable, without the police and crime panel having any power to control it. That is an important difference; in my view, it is a big flaw in the Bill.

Keith Vaz: Is my hon. Friend as puzzled as I am that although, apparently, the new Metropolitan Police Commissioner has had a photo call with the Home Secretary—before she came into the Chamber—and the policing Minister has been at the Dispatch Box, there still has not been an announcement to Parliament of the new appointment. Everyone knows that it is Mr Hogan-Howe, but apparently the House of Commons does not know. Has my hon. Friend been told the name of the new Metropolitan Police Commissioner?

Vernon Coaker: I have been told now.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. It might be helpful if Vernon Coaker gave way to the Home Secretary.

Vernon Coaker: I give way to the Home Secretary.

The Secretary of State for the Home Department (Mrs Theresa May): Thank you, Mr Deputy Speaker.

I am tempted to say that there is no need for me to rise to my feet now, given that the Chairman of the Home Affairs Committee has given the name of the new commissioner. As I have just come into the Chamber, the policing Minister and I were discussing the best way to announce to the House the appointment of Bernard Hogan-Howe as Metropolitan Police Commissioner. He is the former chief constable of Merseyside, where he had a fine record of crime fighting, seeing crime levels go down by just under 40% over three to four years. I am sure that he will bring that crime-fighting capability to London and the Metropolitan police.

Alun Michael: On a point of order, Mr Deputy Speaker. It is good that the Home Secretary has now spoken to the House, but before this debate, when the Chancellor was at the Dispatch Box, the new commissioner's appointment was widely publicised on television. So, as my right hon. Friend the Chairman of the Home Affairs Committee was suggesting, the appointment has not come to the attention of the House as quickly as it should have.

Mr Deputy Speaker: The right hon. Gentleman has been in the House a long time and will recognise that that is not a point of order. He has put his point on the record.

Vernon Coaker: On behalf of the shadow Home Secretary, myself, and all Members of the House, may I wish Mr Hogan-Howe well in his new role as commissioner and in the important job of work that he will have to do?

The issue of the politicisation of operational independence is important, but Members have also referred to the huge problems that will be caused by having one police and crime commissioner to represent such a large number of areas and communities. Despite that, the Government are reinserting the proposal in the Bill with no indication of how they expect such problems to be overcome. We have heard from Devon and Cornwall, and Avon and Somerset, about this issue of size, yet the Minister just says that it will not be a problem. We also learn from the Minister that he believes that the Bill contains proper checks and balances and that, therefore, the reinstatement of the provision is not a problem. However, he fails to point out to Members that the police and crime panel has only two powers. One—to be fair to the Government, they have amended the majority that is required from three quarters to two thirds—is the veto over the appointment of the chief constable, and the other is the veto over the precept. That is it. The police and crime panel has no other power. The policing Minister wants us to disagree with the Lords amendments on the basis of his assertion that the Bill contains proper checks and balances, but I say to him that the police and crime panel has only two real powers to hold the police and crime commissioner to account.

Mr David Ruffley (Bury St Edmunds) (Con): Is not the hon. Gentleman doing a disservice to the future police and crime panels? They will doubtless be composed of notable members of the community, perhaps with expertise in crime and the justice system, and they will have an incredible platform from which to address the local media and engage in a debate on local television and radio. I envisage that kind of check and balance on a potentially wayward police and crime commissioner coming from the panels. So they will not have just two powers; they will probably have three, the third being the power of voice.

5.45 pm

Vernon Coaker: Of course they will have the power of voice. I have the power of voice here, but I shall still lose the vote, unless something goes dramatically wrong. I can still argue for what I think is right, but at the end of the day a police and crime panel will have no real sanction or power to change what a police and crime commissioner is doing if it believes it to be wrong, apart from the two specific powers that I have mentioned. As will become clear when we debate the next group of amendments, the panel will not even have the power to veto the sacking of a chief constable. The police and crime commissioner will have a completely unfettered power.

The Minister told us that the Government had listened to what the Lords had said, and that a chief constable who was to be sacked would be able to go to the police and crime panel and tell it why the police and crime commissioner was wrong. The panel would not have any power to do anything about it, but the chief constable could make representations to it. That might be a good thing, but it does not alter the fact that a chief constable in that position would have no proper right of appeal. The hon. Gentleman is right in saying that the police and crime panel can say what it thinks, but ultimately it can be ignored by the police and crime commissioner, except in the two specific instances that I have mentioned.

Simon Hart: In what circumstances does the hon. Gentleman believe that a police and crime commissioner would go solo and make a serious decision like that against all the interests of the community and, indeed, the other elected politicians and councillors who might reside in the area? How likely is that to happen?

Vernon Coaker: There are a number of possible examples. Let me give the hon. Gentleman one of them. If an election is approaching and a chief constable is refusing to follow the priorities on which someone intends to stand, what would prevent that person from saying to the chief constable, "Unless you announce that you will introduce neighbourhood policing, put bobbies on the beat and keep this police station open, all of which I will include in my manifesto, I will sack you"? There is no power for anyone to stop a police and crime commissioner from doing that to a chief constable.

I know that the hon. Gentleman takes a keen interest in this matter, and I know that he would be as anxious about such circumstances as I would be. He may think that they will never arise, but he and I both know that many situations arise that were not predicted. I should have thought that any Government would want at least to include a provision ensuring that police and crime commissioners did not have an unfettered power, but as the Bill stands it is completely unfettered.

Steve McCabe (Birmingham, Selly Oak) (Lab): Does my hon. Friend think that the Mayor of London has already demonstrated such circumstances in managing to get rid of two commissioners of the Metropolitan police?

Vernon Coaker: My hon. Friend's point speaks for itself. It illustrates some of the problems that can arise in connection with police and crime commissioners.

I will not rehearse all of what has been said before, but the Minister has asked us to disagree with the Lords in their amendment, and to reinsert the original proposals on police and crime commissioners in the Bill. The "one person" argument, the "operational independence" argument and the politicisation argument are all still there, as is the lack of power for the police and crime panel—the fact that it is a toothless watchdog—yet the Minister is telling us that he is right, and that everyone else is wrong. In their amendment 6 on the police commission model, the Lords attempt to overcome some of the existing problems—such as having one omnipotent person, as the Government would like—by ensuring that the police and crime panel is established as set out in the Bill and that the police and crime commissioner is appointed from among that group of people.

This group of amendments also addresses the delayed election issue. I know some of my hon. Friends want to say a little more about the Welsh aspect of that, and I fully understand and support their argument.

We oppose in principle both the elections and police and crime commissioners. We also believe that if the Government are going to press ahead, May 2012 is a ridiculous date given issues such as the speed with which things would be required to be put in place and the Olympics. The Government apparently now agree with that, but have come up with the equally stupid idea of holding the elections in November. That would be costly, and there would also be further problems that have been pointed out not by the Opposition—my right hon. Friend the shadow Home Secretary has not pointed this out—but by the Electoral Commission, including the problems of daylight hours and of the electoral canvass going on at the same time. The Electoral Commission is a body that is independent of this House, and it has pointed out to the Minister that it is silly to delay things until November. Moreover, members of that commission have said that the cost of such a delay would be significant.

I therefore ask the Minister to tell us how on earth the Government have arrived at that date. Why are they delaying the elections? Is there any truth in the newspaper reports that it was in order to ensure that the Liberals voted for the Bill in totality? Is this another example of the tail wagging the dog?

Steve McCabe: If we give the Government the benefit of the doubt and accept that the delay is to allow more time for candidates to campaign and make themselves known to the public and for the untried and untested arrangements to be developed to the point where they might actually be implemented, would it not make sense to delay the elections until at least May 2013? That would enable the Government to increase the turnout and save on cost, whereas what they are doing is reducing the chances of a high turnout and increasing the cost, which seems completely nonsensical?

Vernon Coaker: I agree with my hon. Friend about the logic of the Government arriving at the date of 15 November. In speaking to the amendment in question, the Minister in effect just said, "We're changing the date," in what amounted to not much more than a shrug-of-the-shoulders argument. The House deserved more than that, because many people say that if we are going to delay this, it is much more sensible to delay until May 2013. Why has this date been chosen? Why is it so special? What discussions have taken place with the Liberals?

There has been much debate about the cost of the elections. How has the figure of £25 million been arrived at? The Government have accepted the sum of £50 million, and £25 million is now to be added to that. As shown by Channel 4's "FactCheck", there is now a debate. We have also seen that a referendum that was held on the same day as other elections cost £89 million. Admittedly, that did not include Scotland, and this arrangement is just for England and Wales.

Again, there is no proper explanation, and that fault runs all the way through the Bill. Most of the time the Minister relies on assertion and saying, "This is the right thing to do," or, "I don't agree with what other people say." Very little evidence is given, and there is seldom any resort to any studies that might have been done. Instead, there is just an assertion of what the Minister thinks is the right thing to do.

I shall conclude, as I know that many Members wish to speak—and I see that you are getting a bit restless as well, Mr Deputy Speaker. The Government have offered no real argument as to why these measures should be put back into the Bill, and they have no real answers to the questions that were raised throughout the Committee's proceedings. They have offered no real argument as to why they think this delay is right, nor have they made any real assessment of the costs involved. They have offered no real argument as to why everyone else is wrong and they are right.

Even at this late stage, the Minister pretends to us that another little tidying-up exercise is needed. The change in respect of the financial code of practice is presented as merely a technical amendment, yet one of the key demands made in the Lords was that a code of practice was necessary in respect of the police and

crime commissioners. However, apart from a few sentences of assertion from the Minister, we have no real idea even at this late stage about this financial code of practice, which will govern the way the police and crime commissioners operate. The Government have therefore not just produced another tweaking amendment, but have had to bring forward a major change. That is why we tabled our amendment about the importance of this change to chief constables. The Minister again just dismissed this, but perhaps he would agree with those who say, "Why shouldn't the chief constable have some real say about what should be included in that financial code of practice and about the impact of police grant cuts on officer numbers?"

This is the wrong reform at the wrong time. If we were to ask people whether they would set as a higher priority this Government spending more than £100 million on the ideological experiment of police and crime commissioners or instead spending that money on police officers on the street, I think almost everyone in the country would say, "Let's have police officers on the street and not spend £100 million on elections that nobody wants."

Mr Ruffley: I support the Government amendments, and would like to favour the House with some recollections from the two and a half years before the last general election when I did the job that the hon. Member for Gedling (Vernon Coaker) does. In the course of my shadow duties, I had occasion to speak to a great number of police authorities, crime reduction partnerships and voters and I came to the following conclusion: while police authority members believed for wholly honourable motives that the proposed step was retrograde and potentially dangerous, I could find very little antagonism and opposition to the idea of elected police and crime commissioners—and I challenge the Opposition to produce evidence that that idea is unpopular with the British public.

If we rely on MORI—I do not see why we should not rely on it—we know the following about British public opinion. Over the past five or six years, it has regularly produced findings that demonstrate that police authorities, as vehicles for making the police accountable to the public they serve in any locality, are invisible. That is not a term of abuse. Some of my best friends are members of police authorities, and they take umbrage when it is suggested that they do not do a good job. Many of them do a good job, but the fact remains that they are invisible to the public.

The main thrust behind this proposal is to have a single focal point of accountability, much in the way that the disparate things that used to happen under the Greater London council and all the other bodies associated with the running and governance of London were brought together in the shape of a directly elected Mayor. By and large, that has been a very popular programme of government and a very good idea. Having a single focal point of accountability focuses people's minds, as the public know that if something is going wrong in policing, there is one man or woman to whom they can go to find out whether it can be fixed and when it will be fixed.

6 pm

Vernon Coaker: I acknowledge the experience that the hon. Gentleman brings to these debates from his former shadow policing role. He challenged me to produce evidence of where this approach was not wanted, so may I refer him to the Liberty polling evidence produced a few months ago? I cannot remember the exact month when this was produced, but when people were asked who they would trust more to protect their family from crime, 65% said:

"A Chief Constable reporting to a Police Authority, as now".

Some 15% said that they would prefer:

"A Chief Constable reporting to an individual politician elected as a Police and Crime Commissioner".

There is some evidence for him.

Mr Ruffley: I will not take issue with the skewed nature of the wording—"politician" is often a dirty word. I have no knowledge of the survey, but what many of the respondents would probably not understand is that the majority of those serving on a 17-person police authority are politicians—nine of them will be indirectly elected council members. So a clear political element is already involved, which brings me on to my next point.

Steve McCabe: It is true that the members of police authorities are indirectly elected and are party people. However, is not the difference that most of the commissioners will owe their allegiance directly to the political party that maintains the machine that gets them into power? They will have two obligations—not only to the electorate, but to the political machine—and so they will be party political commissioners.

Mr Ruffley: The hon. Gentleman makes the reasonable point that these people will fly under party colours. However, when getting elected as Members of Parliament for our constituencies we all fly under a party label and rely on a smooth-running local party machine—that is what we hope it is—to get us elected, and yet once elected our duty is to serve all our constituents without fear or favour. I know that he is a diligent constituency man, as I hope I am. I take up the issues and concerns raised by each individual who comes to see me in my advice centre, regardless of race, creed, colour, faith, party poljtical persuasion and even whether they are nice to me or rude to me. All of us take that view, because it is in the nature of the office we hold. I would be very disappointed if a police commissioner, elected at the ballot box, as we hope will be the case a year this coming November, did not take that same view.

Steve McCabe: I have no doubt that the hon. Gentleman is an extremely diligent MP who does not judge the people who come to his advice centre. The difference is that when a member of the public approaches him they know perfectly well that he is a Tory MP—I do not say that in any disparaging sense, because they would identify me as a Labour MP—but when they approach a member of the police they expect that person to be a politically neutral member of the police. People would not expect such a person to be the Tory or Labour police commissioner, and that is surely the distinction here.

Mr Ruffley: There is a difference here, because we are not talking about having police officers—actual law enforcement officers—being party political, and neither is the hon. Gentleman. The commissioner will represent

[Mr Ruffley]

a mode of accountability—on behalf of the public, who will have voted for him or her, and will be able to hold the chief constable to account in a more focused and single-minded way. They will do the job that the police authority attempts to do at the moment. We believe that it can be done better by one individual.

I wish to deal with the issue of politicisation and the democratic mandate. In the last Parliament, the Labour party and my party came to pretty similar conclusions about the accountability arrangements—the answerability arrangements—that currently pertain, as did our colleagues on the Liberal Democrat Benches; we came to the conclusion that those arrangements were not adequate and that there was a democratic deficit. We know that because of what was said by the hon. Member for Gedling, and although that has already been cited by my hon. Friend the Member for Cannock Chase (Mr Burley), I wish to reinforce the point. In 2008, the then Labour Government's draft legislative programme announced that there would be a Bill including proposals to provide

"a clear and powerful public voice in decision making through directly elected representatives".

I understand that in the Committee stages of this Bill there were mild flirtations by Labour Members with various forms of direct election, and I think it is entirely proper for the Labour party to change its mind. I understand that the shadow Home Secretary now wants to ditch the whole idea of elections. However, let us just be non-partisan for a moment and accept that in the previous Parliament all three major political parties concluded that there was an argument for having a sharper, keener focus of responsibility. That involves letting the people or person holding the chief constable to account have a mandate from the public, arising from a direct election, on the basis of one person, one vote, in the police authority area over which a police and crime commissioner would preside. There is something incredibly important about a mandate being secured in that way, as both Labour and the Liberal Democrats were conceding in their policy pronouncements as recently as the end of the previous Parliament. So let us not kid ourselves that the end of the world is nigh as a result of this proposal for police and crime commissioners.

Graham Stringer (Blackley and Broughton) (Lab): I accept the hon. Gentleman's argument that there is a democratic deficit and that that needs to be addressed. I even accept his argument that the people making the decisions at the moment are not visible. But does he not recognise that there is another problem with electing someone who has responsibility for just one service: it excludes them from the normal political decision making that has to be undertaken by anyone elected to government or local government? Normal decision making would mean that the person involved would have to measure priorities for policing against those for social services, education or recreation. We are really going only half way if we elect only a police commissioner who does not have the rest of the local public services to deal with.

Mr Ruffley: The hon. Gentleman makes a good point. He has huge experience from being leader of one of the great cities of this country, he knows what he is talking about and he spoke eloquently in August about how the riots affected Manchester. His is a genuine point that is not easily resolvable. The idea is that a directly elected police commissioner will be able to set the precept, and one of the strengths of a police authority—probably the only strength I can think of—is the fact that a proportion of the members of that police authority also sit on the precept-raising authority with their councillor's hat on. That means there is a connection between the council raising the precept and individual members of that council, wearing a different hat, sitting indirectly on the police authority. That was a useful nexus and it will not necessarily be the case here.

In practice, I would expect any police and crime commissioner worth his or her salt to listen carefully to the priorities of, and arguments put by, the leading group on the relevant precept-raising authority. I do not pretend that this proposal is perfect in that regard. There will be quite a big disconnect between the person wishing to set a police precept and the authority that has to go out and raise it, but that might be the rough edge of an otherwise quite unremarkable proposal. That returns me to my theme and my next point.

This is not a radical revolution that will throw all the police cards up in the air and it is not a case of letting the chips fall where they may. I do not believe that that is a sensible way to make public policy nor do I think it is a sensible way of running the police service. I think we are in agreement on that point. However, many of the powers and duties of the new police and crime commissioner will be virtually identical to those of police authorities at the moment.

At the end of the last Parliament, I was rather a sad individual and I counted the number of duties and powers that police authorities had under a wide range of legislation from the Local Government Act 1999, under which they had value-for-money audit responsibilities, to the police Acts and so on. There were about 120 to 130 such duties and responsibilities and it seemed to me that those authorities exercised quite a lot of power over the police, such as the power to call police officers to account. I struggle to see how the panoply of powers possessed by the average police authority is very different from the powers, duties and responsibilities that a police and crime commissioner will have. We know that the setting of a precept is an identical power and we also know that police authorities, in conjunction with a chief constable, set police priorities and objectives for the year. Police authorities have strong views on the strategic objectives for a local police area and it seems to me that the police and crime commissioner will have similar strongly held views but will have the advantage, at least, of a public mandate through the ballot box when he or she sits down with the chief constable and they set out their plan to run the force in any given police area. Equally, police authorities can appoint and, in certain circumstances, dismiss chief constables. That is a power that police and crime commissioners will have, too. For me, those are the big ticket items.

Vernon Coaker: Given the hon. Gentleman's experience, I am interested in his view about the unfettered power of the police and crime commissioner to sack the chief constable. Does he believe that should be subject to the same veto provisions as the police and crime panel has for appointment and the precept?

Mr Ruffley: My understanding is that that is not in the Bill, but I envisage that the occasions on which a police and crime commissioner will wish to dismiss a chief constable will be few and far between. As we know, under the old legislation, police authorities had the power to dismiss chief constables, but it was rarely used. The right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) intervened publicly to say that a police authority should exercise its power to dismiss an allegedly underperforming chief constable. Police authorities used the power extremely rarely, and I have no reason to suppose that an elected police and crime commissioner would be very different.

6.15 pm

I say to those who are not taking comfort from my exposition of the fact that many of the duties of police authorities are merely being passported to police and crime commissioners that the Government have bent over backwards to put in place a panoply of safeguards. We have already heard about the police and crime panel. I know that the hon. Member for Gedling thinks that it has only two significant vetoes, on the appointment of chief constables and on the precept, but its third duty will be to create a vibrant debate and hold the police and crime commissioner himself or herself to account.

The hon. Member for Gedling spoke of a police and crime commissioner deciding to take beat officers or neighbourhood officers from their role and to put them into a rape crisis unit or domestic violence unit. I would fully expect the police and crime panel to pick up on that. I understand that there will be regular hearings at which the police and crime commissioner will be available to the police and crime panel to answer for such decisions. There will be a full and frank exchange of views in public. I hope that police and crime panels will hold hearings in the localities with witnesses, similar to those that take place in the Select Committees of this place, to put the police and crime commissioner through his or her paces on some of the strategic decisions he or she is making.

The police and crime panel will be an important safeguard, on top of which there will be the protocol referred to by the right hon. Member for Leicester East (Keith Vaz), the distinguished and eminent chair of the Select Committee on Home Affairs. Police authorities never overstepped the mark in discussing policing priorities with chief constables, partly because of the well-understood convention enshrined in common law whereby the operational independence of a police officer is inviolable. I would expect the same restraint as we see exercised by elected politicians sitting indirectly on police authorities to operate in the case of police and crime commissioners.

In case we are not happy with that, however, there is the protocol. The right hon. Member for Leicester East was right to say that it is an important document that must be scrutinised, but I do not have any concerns that it will not put on the record what a police and crime commissioner can and cannot do in relation to their strategic priorities. My word, if that police and crime commissioner were to overstep the mark, I would be staggered if the chief constable and the police and crime panel did not investigate that and draw it to public attention. What better set of safeguards than the panel and the protocol could there be for ensuring that the inviolable operational independence of our police is observed?

I think the Government have probably gone further than many of their well-wishers would want them to go. We have put a great deal behind the argument that there should be openness and checks and balances; there should not be unfettered power in the hands of one elected commissioner.

There is another check or balance that might be more nebulous but is worth pointing out for the benefit of Members—the new role that we envisage Her Majesty's inspectorate of constabulary taking, particularly since the appointment of Sir Denis O'Connor. He has done all of us in the House a huge service in changing HMIC reports on police forces, their shortcomings and where they could deliver efficiencies from being turgid, boring documents that few people read into customer-facing documents, to use his phrase. He told me that the reports are written in plain English for the public. I see a huge role for HMIC of going into forces and not just talking to chief constables but interacting with police and crime commissioners and putting out data that measure the performance of the commissioners.

We need more sunlight to be shone into the corners of various police forces. It will not be just for the police and crime commissioners to do the awkward question-asking: it will also be for a wholly independent HMIC to tell the public in any given area how the police are doing and whether police and crime commissioners are making any difference—whether crime and the fear of it have gone up or down. It will also say whether enough attention is being paid to level 2 protective services and other things that are not so sexy, if I can put it that way, politically—things that will not necessarily be at the top of someone's manifesto when they are campaigning to be a police and crime commissioner.

Some of those Cinderella services have been mentioned today. Examples include the shocking lack of attention that is paid to fraud in various forces and the way in which child protection, a specialist service that the police provide, does not get as much coverage as hooliganism, graffiti and antisocial behaviour. Those are all issues that HMIC could address in its new-style reports. We should not forget that crime maps are another resource available to the average member of public to help determine whether standards of policing in a given area are improving and whether a police commissioner is contributing to that better fight against crime.

Let me address one last point. I have been asked by various members of my police authority in Suffolk what difference this measure will make and what one person could do, if they were elected as the police and crime commissioner for Suffolk, that the police authority could not do. My answer is that in all police forces across the country, on average, there were two very worrying statistics earlier this year, according to HMIC. First, on average, only 12% of the police officers on duty at any one time are, to use the jargon, visibly available to the public. Secondly, there are more officers available for duty and visibly so on a Monday morning at 9 am than on a Friday at 9 pm. Those two statistics tell me that we are not running the police service as efficiently as we could. So, that one elected person could go to a chief constable and ask, "Hang on a minute—why have you got more uniformed officers on duty at 9 am on a Monday than at 9 pm on a Friday?" I believe that 9 pm on a Friday is when, to use the parlance, things kick off; we know that that time is bound to be busier.

Simon Hart: Not in Bury St Edmunds!

Mr Ruffley: Even in Bury St Edmunds, I dare say. Let me repeat the other statistic, because it is quite shocking. Fewer than one in eight uniformed officers are available to respond to the public visibly. That includes not only response units going around the streets but also those handling such calls—the visible availability. There must be a better way of asking any chief constable searching questions about why that is happening on their patch or police force area.

I conclude by saying that police authorities have had many years to ask some of those difficult questions, but those two statistics, shocking as they are, represented the situation in July 2011. The police authorities have had their fair crack but they have not been able to squeeze the efficiencies and to ask the difficult questions that they should have. It is time for them to move over and for the police and crime commissioners to have a crack and see whether they can do better. It is in that spirit of cheerful optimism that I support the amendments moved by my right hon. Friend the Minister.

Keith Vaz: It is a pleasure to follow the hon. Member for Bury St Edmunds (Mr Ruffley), who is very knowledgeable about these matters. I shall speak only briefly and I begin by apologising because I have to be away before the end of the debate because the chairman of the committee on homeland security from the United States Congress is coming to meet members of the Select Committee to discuss counter-terrorism.

I want to speak very briefly on these matters and I do not want to repeat the debate we have had before about the principle of police commissioners. However, I accept what my hon. Friend the Member for Gedling (Vernon Coaker) said about this being an attempt by the Government to reposition police and crime commissioners at the heart of the Bill. I know that all Members have heard the arguments before and, as we have just heard, opinions are deeply held on both sides of the House.

I shall concentrate on three issues. First, I was disappointed that the announcement of the new Metropolitan Police Commissioner was not made to the House. It has become a feature to announce resignations to the House and I think that such important appointments ought to be announced here first rather than to the BBC and Sky News. However, I am glad that the Home Secretary heard the mood of the House and rushed in here to make her announcement by intervening on my hon. Friend the Member for Gedling. I join the Home Secretary and my hon. Friend in congratulating Bernard Hogan-Howe on his appointment; I know that he comes with enormous experience. He was the only candidate for the position of chief executive of the new National Crime Agency, but he was plucked from that job and made the acting deputy commissioner, and now hehas the top job. It is a very demanding job and I wish him well.

Let me make two quick points about the Bill. As I said in my intervention, I welcome the Minister back, and I think he has done excellent work on the protocol, which is an example of what can happen when a Select Committee makes a recommendation. We called it a memorandum of understanding—we started with the Magna Carta, but felt that was too grand and downgraded it—and it has become a protocol. The Minister and others have been in discussions about the protocol and we look forward to seeing the latest draft—he sent me a draft in July—because it is important that the Select Committee is involved in these processes. That is especially true of the hon. Member for Rochester and Strood (Mark Reckless), who is not in his place at the moment but is very keen on these matters and wants to be involved in the discussions. We have to remember that although ACPO and the Home Office may agree the protocol, the third part of the triangle has not even been elected yet. We do not have any police and crime commissioners, but if we are to have a protocol, they will have to be consulted on it in some way.

6.30 pm

Nick Herbert: I should point out that the protocol was negotiated with the deputy mayor with responsibility for policing in London and with a representative of the Association of Police Authorities—the chair of a police authority. That side of policing governance was therefore represented. I agree with the right hon. Gentleman that that is important.

Keith Vaz: Indeed. I thank the Minister for reminding me. I know that he has mentioned it to me before. He is right. It is important that those two individuals are consulted, but neither of them is going to be a police and crime commissioner. Kit Malthouse is very experienced, but he is already there. A bit of wiggle room may be needed when we get to the end of the process. Let us wait and see. However, the Minister has made excellent progress.

I am concerned about the timing of the election. When Ministers appeared before the Select Committee they were emphatic. We asked them to delay the election until May 2013, after the Olympics, but they emphatically replied that they thought everyone would be able to cope and the election should be held in May 2012. Delaying it until November at an additional cost of £25 million, over and above the cost of police and crime commissioners, is in my view an example of the fact that money can be found when there is a political will to find it.

When negotiations have to be conducted with the Treasury, Ministers are very willing to enter into such negotiations, but I understand from the Home Secretary that the matter has not yet been signed off by the Treasury. When she appeared before the Select Committee on Thursday, she said that she was in negotiations with the Treasury. I should have thought that if the Prime Minister says, "Find the money," and the Home Secretary says, "Find the money," even the Chancellor of the Exchequer ought to accept that. I am not sure what the negotiations are about, but I assume the Minister will get his £25 million.

Steve McCabe: There is an issue about money, but does my right hon. Friend share my concern that in the past the Government have resisted setting a threshold for the elections? Holding them in November is, as we heard, likely to depress the turnout. What level of turnout would give a new commissioner legitimacy—for example, in the west midlands, with a population of 5 million?

Keith Vaz: I shall leave it to my hon. Friend to decide what level of turnout is acceptable for the west midlands, with its population of 5 million. My concern is the

electoral register. At that time, electoral registration officers will be involved in their annual canvass. Nobody likes to campaign in November. I cannot remember the last time we had elections in November, although the Minister will no doubt tell us when he winds up. It has certainly not happened in my time in the House, and I have been here for more than 24 years.

November is, of course, not the best weather to campaign, and I am not sure that everyone will open the door to Members of Parliament, even Members as charming as the Minister and the shadow Minister. The register will be in the process of being compiled, it will not be complete, and the basis of the register will be May 2013. The Minister needs to reassure us on this point, but I hope very much that we will take into consideration some of the comments that have been made. I look forward to hearing replies to some of them in the Minister's winding-up speech.

Simon Hart: It is always a pleasure to follow the right hon. Member for Leicester East (Keith Vaz). May I say how glad I am that he had such a good shooting trip over the weekend, which I fixed for him with the Indian cricket team? I hope their shooting was better than their cricket.

I support the Government's attempts to reverse Lords amendments 1 to 4. If I had not been convinced of the arguments for doing so before tonight's debate, I would have been convinced after I heard the hon. Member for Gedling (Vernon Coaker). I suspect he might accuse me of misquoting him, but he said that one of the problems with the election of police commissioners is that they will have a democratic mandate. Surely that is what the proposal is all about. Arguing against it on the basis of a fear that somebody might have a democratic mandate does not sit comfortably with the whole direction of the coalition Government.

I shall concentrate on two themes—first, communities and the police, as they are affected by the election of police commissioners, and secondly, a wider discussion of the broader consequences. Hon. Members know that I represent a small part of the Dyfed-Powys constabulary area in west Wales. There is always a perception that the priorities and work load of rural police forces are different from those of other forces, and to a great extent they are, but even a constabulary such as Dyfed-Powys, which has a huge geographical area to cover, covers some intensely urban and suburban areas which have all the same problems as any other part of Britain.

That is a particularly good example for the House to consider and to which we can apply the principle of elected commissioners to see whether the arguments stack up. I do not think that anyone on either side of the argument is suggesting that the current situation with regard to police authorities is perfect. Of course it is far from perfect. Nobody is arguing that the proposal is perfect in every detail but it is argued, with some validity, that it is considerably better than the situation we have put up with for 50 years. Let us not forget that police authorities have largely been operating under the same structure for that length of time, yet the challenge facing policing and the social dynamic of Britain has changed radically over that period. It is entirely sensible that we should seriously consider reforming the manner in which governance is applied.

There seems to be no question but that the relationship between communities, whether they are urban, rural or suburban, is at best remote and strained, and that when these recommendations are in place, it will be considerably enhanced. Much of the debate has been about the politicisation of the role. I think we exaggerate that. Having read over the weekend some of the contributions to the debate in another place, I recommend to hon. Members the contribution of Lord Dear, who was a serving officer in the west midlands for 40 years. He was happy to go on the record as saying that his initial reservations about the proposal had been gradually eroded as the debate unfolded.

The idea that there is no politicisation now is absurd. There is a huge degree of politics in policing now. Chief constables make rather adept politicians, as it turns out. They agonise over press releases and over the relationship that they have with politicians in their area. In an intervention, I mentioned my force, Dyfed-Powys. I feel rather sorry for the chief constable. Not only does he have a wide range of MPs to deal with from various political parties, but he has a wide range of Assembly Members representing different parties, and several different local authorities. He has to balance the relationships that he has with all those individuals.

The idea that a single elected police commissioner can storm into that relationship, overpower a chief constable and not be held to account by the numerous other elected representatives in that area is exaggerated. It is an excuse to try and undermine a good idea, rather than an evidential basis upon which to do that.

The role of commissioners will be the political one. To coin a phrase, the commissioners will do the politics, enabling the chief constables to do the policing. I do not know whether many Opposition Members look at the website "Labour Uncut"—it is probably their equivalent of "Conservative Home"—but even "Labour Uncut" thinks this is one of the Prime Minister's better ideas. I think it goes so far as to say that it is his only good idea, a view that I do not share. It grudgingly reaches the conclusion that this democratic improvement is something that the coalition Government got right.

Continuing the theme of politics interfering with police forces, Lord Dear's speech in April this year referred to his time in HMIC and in particular to Derbyshire police authority 15 to 20 years ago. If ever there was an example of intense political interference with a police force, that was it. It was staunchly party political and had a hugely debilitating effect on that police force. The consequence was that Lord Dear, in his position in HMIC, had to judge the force to be not fit for purpose as a direct result of the party political interference and the sub-standard police authority at the time. Therefore, the idea that this risk applies only to future proposals and has in no way poisoned the operation of constabularies in the past is also a complete myth. I concede the points made by the hon. Member for Gedling and acknowledge that there are concerns. The Minister has addressed some of those and, I am sure, will address more as the evening wears on.

Taking this from a police officer's perspective, we can see that it is all the more important to address these concerns publicly now. The argument that this is a one-size-fits-all solution and that, because constabularies are not all the one size, it cannot possibly work in all

[Simon Hart]

places needs further explanation. The officers' concerns about the ownership—not in the physical sense—of staff issues, building-related issues and the more mundane elements of policing are, in debating terms, unfinished business.

We also need to reassure people about political ideology. In our various debates on police reform, political ideology has somehow been labelled a negative influence. If political ideology includes the desire to make a police force more accountable and cost-effective and to give better value for money, that is an ideology that I am more than happy to sign up to. In going about our duty, we should not attempt to scare potential voters in these important elections into believing that someone who adopts ideology should be avoided at all costs. There will of course be political ideology, whoever ends up in these positions and whatever party they represent. Even if the status quo were to continue, political ideology pervades the system.

The Minister will no doubt offer some reassurances on the points raised about the crime panel, although I am less worried about it than others seem to be. There will be a large number of locally accountable people in my area of Dyfed-Powys who will be very sensitive to the risk of one man going off piste and running a solo political operation at the expense of the voters who put him there, which I think would be extremely unlikely.

Vernon Coaker: The hon. Gentleman says that he thinks that would be extremely unlikely, but given the fact that it could happen, however unlikely, and the seriousness of a PCC's unfettered ability to sack a chief constable, does he not agree that the Bill should at least provide HMIC, for instance, with a reserve power to refer such a sacking to the Home Secretary so that he or she could judge whether anything untoward had happened? Is not some sort of reserve power necessary to protect against such an eventuality, however unlikely?

Simon Hart: The hon. Gentleman makes a good point, but I am not sure that that necessarily needs to be in the Bill. I think that there are sufficient checks and balances in the process anyway. His question presupposed that the existing system is risk free, but clearly it is not. We have all seen examples of the relationship between police authorities, local communities and chief constables breaking down. I argue that the proposals we have heard debated on numerous occasions so far during this Parliament represent a better and safer version of what we currently have. I share neither his concerns, nor his optimism that we can design a piece of legislation that is 100% risk free. I do not think that that is possible either in this area, or in many others.

To me the arguments that this is an improvement on the existing arrangements are reasonably compelling. However, I take the hon. Gentleman's point and do not think that it has necessarily been answered in a way that is convincing for us, let alone for the people it will affect directly, either those who will vote, or those who will do the enforcing. Both deserve a clear answer. On that point, further clarification on what action will be taken in the event of a failure is significant, because I am not convinced—I am not sure about other hon. Members—that if the relationship between the chief constable and the elected commissioner breaks down for any reason, there are sufficient checks and balances to ensure that that will not have a negative effect downstream.

6.45 pm

I want to move on to some of the broad consequences of what we are discussing, because as the year has worn on the debates that we have held here have clearly affected the morale of officers, both senior and junior, and volunteers and civilian staff in police forces. This debate, and what the Minister has said and will continue to say, is a good opportunity to try to attach some certainty to the proposals. If police officers in Dyfed-Powys are anything to go by, it is the lack of certainty on what the future holds that has contributed to the unease, which I think we should all attempt to avoid.

Members on both sides of the House are guilty of bandying about statistics as if they were the only thing that matters. Perhaps we could be a little more circumspect when talking about the numbers of officers on the front line. That can have a very demoralising effect on those officers who provide a fantastic service across Britain and yet somehow feel that they are becoming the subject of criticism when we mention a figure of 12% for the front line. I think it behoves the Government—dare I say it—and Opposition Members to ensure that the statistics we use are meaningful and contextualised, rather than just used in throwaway comments, which can have a pretty debilitating effect on forces attempting to do difficult jobs in difficult circumstances. I am constantly concerned about how it sounds when we dismiss the role of back-office police staff.

Mark Tami: There are constant attacks on the back office, or the middle—a term introduced today—as if these people sit around doing nothing. I do not know what they do, but that is the image that the Government are trying to put across, as if we can sweep all those people away and service will be unaffected.

Simon Hart: I certainly do not think that that is the Government's position. It might be the position taken by some of the media, but I do not believe for one minute that the Government are attempting to underplay the importance of some of those jobs. I just think that sometimes, in the interpretation, we attach less value to the back office than we do to the front line. That seems to be an interpretation of the tone in which Members from both sides of the House sometimes speak. For those doing vital back-office intelligence jobs, or even those providing relatively mundane services to support front-line officers, that can have a very debilitating effect. I think that the packaging, tone and messaging of this kind of debate is an area where we owe the recipients rather more care than perhaps we have been able to provide so far.

A police officer said to me only this morning that the House is sometimes guilty of basing this argument purely on efficiency. The expression "We're all in it together" sometimes triggers a groan from Opposition Members, but for many officers who are looking with a pretty uncertain eye at what the future might hold for them and their families, it would be more helpful if we were to say that what is happening is part of rectifying a wider economic issue than we have perhaps been able to stress so far. I also think that there has been a

fixation—I try to be balanced about these things, but Opposition Members sometimes test the patience of all of us, and on this particular point a little too far—that somehow there is always a correlation between police numbers and police efficiency. Whatever survey or piece of evidence we tend to look at these days, there is an increasing amount of information, which should enable us to come to the view that the two things are not always connected. They are some of the time, but the idea that an efficient police force is a big police force is a myth that this debate has to some extent helped to dispel.

In public opinion terms, however, we have to go quite a lot further, because that idea leads, unfortunately, to a problem whereby the public have confidence in their police force only so long as it is a bigger police force which is expanding its numbers, whereas we should be reassuring voters and, in particular, vulnerable members of society that an efficient police force, which finds ways of carrying out its work better for less and involving fewer people does not mean that they will not be safe in their beds at night. We exploit the fixation with numbers irresponsibly if the person listening happens to be a pensioner wondering whether they are going to be burgled.

Mark Tami: Developing that point, can the hon. Gentleman tell me when he has seen a Tory party leaflet that states, "We want fewer police," and puts across that argument? I have never seen one.

Simon Hart: What emerges from that intervention is that the hon. Gentleman reads Tory leaflets and I do not, and he can keep reading as far as I am concerned, but the fact is that evidence now goes so far as to show even opposite trends. We do not have to go into that now, because I suspect that it is slightly outwith the amendment, but I am delighted that the hon. Gentleman uses his time so wisely.

Having started from the position of being a little sceptical about how a police commissioner covering such a vast area of urban and rural Wales could be effective, I have slowly but enthusiastically come to the conclusion that they will have an incentive to take into account public mood, public aspiration and public desire in a way that the current arrangements do not, and that it is a good thing, because it will therefore automatically lead to police priorities being more sensitive to a community's requirements. If that happens, public satisfaction with and confidence in the police will, I trust, improve, and if that happens so will value for money in real terms and the perceived value for money of police forces, which are undoubtedly having to do some things that neither we nor they wanted them to do.

Although significant concerns have been well and reasonably articulated in the House, they in no way override the benefits to my constituents of proceeding with elected commissioners next year. We all know that they will not work perfectly everywhere all the time—no proposal that any of us has seen will do that—but one thing is certain: they will bring the community closer to their police force than is the case at the moment, and that is all the more to their credit.

I believe firmly that if we have good chief constables, which by and large we do, and if we have good police commissioners, which I have no doubt we will—let us face it, they are going to earn twice as much as a Member of Parliament, which probably means that they will be twice as good, and there is no reason to believe that they will not be extremely efficient and conscious of the impartial role that they have to play—that will lead to a vast improvement on the existing situation, recreate public confidence and trust in the police force and deliver value for money. As our friends in the Treasury remind us, that is never far away from such debates, but sometimes we lose sight of the fact that we have an economic mountain to climb.

We do not need to go into all that now, but this is one small part of the climb, so I will happily support the Government in opposing Lords amendments 1 to 4, and I hope that other Members will do likewise.

Jack Dromey (Birmingham, Erdington) (Lab): I will be brief, because I know that other hon. Members wish to speak.

August reminded us why our police service matters. In the face of the worst outbreak of rioting and arson that that this country has seen in 30 years, terrorising communities all over England, including in Birmingham, our police were truly heroic. They were the thin blue line, acting decisively to restore order in the most difficult circumstances, and they were under outstanding leadership from their chief constable, Chris Sims, a man who acted decisively not because he needed to be told to do so by politicians returning from holiday, or by putative police commissioners, but because he was going to put right a terrible wrong—the outrage of what we were seeing on the streets of Birmingham.

In that process, Chief Constable Sims made it clear to Birmingham Members of Parliament that he was utterly determined to defend the British model of community policing. What was so impressive about the way he put it was this: he told us how he had become a police constable a year before the 1981 riots; how he had lived through some dramatic moments throughout the '80s, '90s and into this century, with tensions on the street and, sometimes, widespread public disorder; how he, like the rest of our police service, had learned painful lessons from the mistakes of the past; and that what the police service had done was to fashion a model of community policing that he and his fellow chief constables were absolutely determined to defend—what he called the bedrock of our ability to police more generally and to restore order in those most desperately difficult circumstances.

That model is based on trust, confidence and consent, and it must never, ever be put at risk by the politicisation—of the wrong kind—of our police service, be it loose talk from Ministers of water cannon and baton rounds, which would have been exactly the wrong thing to use, or this proposal to elect police commissioners. We undermine that British model of community policing, with independent chief constables able to make crucial operational decisions, at our peril and at the peril of the model itself.

The proposal for the election of police commissioners is also a grotesque waste of money: £112 million to be spent on the election of 41-odd police commissioners, some of whom might well indeed be odd. That money could put back on the streets 3,000 police officers. In the west midlands, the proposal would also see one man or woman elected to cover an entire conurbation, the nature of which is very different from one end to the other, of 5 million people.

[Jack Dromey]

The Government appear determined to plough on regardless with this proposal, as they do with the cuts to our police service—1,200 police officers will go in the west midlands. Ministers must recognise that if they want to spend money they should do so on police officers at the sharp end and on supporting them, not on elected police commissioners, not least because the impossible pressures being generated by Ministers are leading to perverse outcomes at the sharp end in the midlands. They include the revelations in the past fortnight that the police have had to use G4S to undertake major police functions, such as the investigations into the tragic killing of the three young men in Winson Green, the shooting at the Barton Arms during the riots and the murder in terrible circumstances of a 63-year-old in Northfield.

Because the police are so short of key staff, they are having to use G4S, employing many "A19" officers to perform the same duties now as they did in the past, when they would far rather be in a bobby's uniform than that of G4S—and at £20 an hour, which is far more than police officers would have been paid. The part-privatisation of our police service is the perverse consequence of the pressures that the Government are putting on chief constables at the sharp end.

I would like any hon. Member in this House who went to the people of his or her constituency last May and said, "Vote for me—I will cut the police," to put their hand up. I suspect we will be waiting for that for a very long time. As my hon. Friend the Member for Gedling (Vernon Coaker) said in his excellent contribution, we must work without hesitation further to improve how democratic accountability operates. At a time like this, elected police commissioners are the wrong priority at the worst possible time.

7 pm

I say this to Government Members, including Ministers: at the heart of this debate has been a creeping attempt by Government to undermine confidence in our police service. I know from talking to police officers at the sharp end that they strongly resent the constant assertion that they do not understand what the people in the communities they serve need and want from their police service. By working with those communities and elected police authorities, the British model of community policing sees fine men and women in uniform far more attuned to what their communities want. We put that at risk at our peril. Ministers should stop undermining the police.

Martin Vickers (Cleethorpes) (Con): I endorse the opening remarks of the hon. Member for Birmingham, Erdington (Jack Dromey) in as much as I pay tribute to the police for the way they handled the recent riots and the like. Where I differ from him is that I would argue that recent circumstances have strengthened the argument in favour of elected police commissioners.

Two of the most widely used words in Government and public administration are "transparency" and "accountability", and rightly so, yet the idea of proper meaningful oversight by a democratically accountable individual is being rejected or, it is argued, should be watered down in such a way that it would do little more than maintain the status quo. The question has been asked, "Where is the demand for this from the general public?" Of course, that demand is inevitably somewhat limited. Those such as ourselves, local councillors and the like, who take a day-to-day interest in these matters, will argue the case one way or the other. The general public—most of them, anyway—come into contact with the police only on relatively infrequent occasions, and it is then, if something goes wrong, that they want to know who to turn to for assistance.

Police authorities are anonymous and deliver no real accountability. To give an example from my constituency of Cleethorpes, which is part of the Humberside force area, the two councils on my side of the Humber—North Lincolnshire and North East Lincolnshire—have three representatives on the police authority, which has 17 members. On alternate years, they have only two representatives; it is a bizarre situation. People do not know who to turn to because the authority is completely and utterly anonymous.

In the same way that the profit motive energises the private sector, the democratic process and the electoral mandate that it generates energises and gives vitality to public bodies and authorities. Without it, they face a real danger of becoming inward-looking and, very likely, of not delivering the service expected of them by the public. I reject the argument that having elected commissioners brings politics into policing and destroys Sir Robert Peel's vision, which has served us so well for many generations. As the right hon. Member for Leicester East (Keith Vaz) said, there will need to be clear ground rules that establish the working relationship between the commissioner and the chief constable. I was pleased that the Minister addressed that and recognised that we must get exactly the right protocols in place.

Once these ground rules are in place, it is imperative that neither the commissioner nor the chief constable move away from them. Inevitably, the commissioner will have to articulate the concerns of those whom he or she represents and ensure that the policies put forward at the time of their election are implemented. He or she must not publicly undermine the authority of the police chief; nor must the chief constable or his officers undermine or publicly criticise the commissioner.

I said that recent events—the riots and the like—have strengthened the argument for commissioners. The exchange of arguments between highly placed officers who made some very unacceptable and unwarranted remarks was unseemly and undermined the authority of Ministers—or the police, depending on which side of the argument one was on. These attempts to undermine political authority go further than the outspoken comments during the recent riots: such political interventions by the police can trickle down even to parish level. I am sure that many Members will have experienced in their past days as councillors, and so on, the arguments that are constantly put forward to councils—parish councils and the like—that the problem is all due to budget cuts made here or there. In effect, that undermines the elected authority that oversees the police, despite the fact that it is, as I said, somewhat anonymous.

There are alternatives. We could muddle along with the existing system of anonymous authorities manned by sincere, hard-working individuals. However, that system does not meet the needs of a modern democracy, which, if it means anything, must give our constituents a choice between competing candidates and their views

on how we should be policed. There have been arguments in favour of elected police authority chairs. Many years ago, I was an advocate of that, but the more one looks at it, the more difficult one can see that it would be. What if the unelected appointed individuals on the police authority disagreed with the elected chairman? Who would win out in that situation? There is a parallel with planning inspectors overruling planning committees; we all know the arguments that that can give rise to. Because of the artificial geography of police force areas such as mine—Humberside—we are not quite moving towards localism, but getting there.

This is not the end of British policing as we know it but a major step towards introducing a system that can deliver the transparency and accountability that I am sure the whole House would approve of.

Paul Murphy (Torfaen) (Lab): I am grateful to be able to speak to the amendment in my name and the names of my hon. Friends. The amendment is specifically about how the Bill affects Wales. In particular, it is about the relationship between the National Assembly for Wales, the Welsh Government and the British Government, and about the decision to hold the election for police commissioners in November.

When we last debated this, we talked about the so-called respect agenda, which respects the views, positions, functions and responsibilities of the devolved Administrations, Assemblies and Parliaments in the United Kingdom. The Minister touched on this in his speech when he rightly pointed out that the business of policing is not devolved—that it is still a reserved matter. My right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), who is sitting in front of me, agreed, when he was Home Secretary, that there should not be devolution of policing as we know it to the Welsh Assembly. However, 10 years of devolution have passed, and we now have a shared responsibility for matters that touch on police, crime and justice. Although the National Assembly for Wales does not have a specific responsibility for policing, the Minister knows that half the money that goes to police forces in Wales comes from the National Assembly, because local government in Wales is devolved. In addition, the Assembly and the Welsh Assembly Government have functions and duties that are central to the operation of policing. The relationship between the Home Office, the Welsh Assembly Government and the National Assembly is therefore crucial. I fear that by continuing to push the Bill through both Houses, the Government will damage the relationship between Cardiff and London.

The Minister and the House will recall that, uniquely, the Welsh Assembly refused to give legislative consent to part 1 of the Bill. That is unprecedented. Similarly, because of the special relationship that the Welsh Assembly has to policing, the Culture and Communities Committee of the Assembly asked the Government to delay the implementation of police commissioners in Wales until it saw how the measure worked in England and could understand how it would affect Wales. That request was ignored.

Worse, the Government are now insisting on a November election in Wales without consulting the Welsh Assembly Government or the National Assembly. We have more elections in Wales, as we have had over the past year. We have had the referendum on extra powers, we have elections for the National Assembly and there are local government elections next year.

The Minister knows that the cost of the election for the whole of the United Kingdom, which was a matter of debate some hours ago, will be at least £25 million more than was expected. He says that that money would not necessarily have been spent on policing, but it could have been. He dismisses the additional £25 million on top of the £50 million that was already to be spent. One should compare that with what was said by the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper), who told the House not so very long ago—this is rather pertinent because of today's and tomorrow's news—that reducing the number of Members of this House of Commons by 50 will save £12 million. By changing the day of one election, that amount has been doubled overnight—so much for those predictions about money being saved.

Who on earth wants elections in November? All of us who have been involved in elections for too long to remember know that elections in November have disastrous turnouts. Add together the dark evenings and an electoral register still under discussion, and I would place a bet here in the House of Commons that the turnout for the elections for police commissioners will be rock bottom. Heaven only knows who might be elected on a low turnout.

The Minister and others talk about operational accountability. Of course Prime Ministers, Secretaries of State and Ministers do not tell the police what to do. When I was Secretary of State for Northern Ireland and held responsibility for policing, I never told the Chief Constable of the Police Service of Northern Ireland what to do, although we would discuss it. However, can it be imagined that those who want to be elected on a very local level as police commissioner will not campaign on what are effectively operational issues? Add to that that the nuttiest people are likely to be elected if the turnout is low. That is a dangerous development that we face.

Our constituents simply will not understand how we can spend £25 million on changing the day of the election for police commissioners, £50 million on the elections themselves, and millions of pounds on administering the position of police commissioners, when over the next two years in Wales at least 800 police officers will get the sack.

Roger Williams (Brecon and Radnorshire) (LD): Perhaps the right hon. Gentleman will help me by spelling out the effect of his amendment. Would the Welsh Assembly not need to hold elections for police commissioners or would it still have a duty to select a date for the elections?

7.15 pm

Paul Murphy: The effect of the amendment would be to ask the Government to talk to the Assembly and the Welsh Assembly Government, so that between them they could work out an appropriate date for an election.

The hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) said that he had been converted to the Bill over the past couple of weeks. He is almost on his own in Wales, because the majority of

[Paul Murphy]

Welsh Members of Parliament, the majority of Assembly Members, the majority of the non-Labour members of the Welsh Local Government Association, every single police authority in Wales and virtually every police officer I have talked to thinks that this is a bad idea.

In a devolved system in which the Government share responsibility for policing, the Government should immediately hold discussions with the Welsh Assembly Government and the National Assembly for Wales to talk about the principle of the election and the efficacy of the policy. To put it through in the way they are doing is the complete reverse of a respect agenda. Simply saying, "It is our responsibility in the British Parliament and only the British Government can do this," completely goes against the spirit of proper negotiation and discussion that was a part of our United Kingdom. That goes to the heart of what this Government are often about: they say one thing and do another.

On this Bill, I join all my right hon. and hon. Friends in asking the Government to think again. In particular, on behalf of those of us from Wales who are concerned about this matter—many of my right hon. and hon. Friends have signed the amendment—I ask the Government to have an immediate discussion so that at least the people of Wales are heard and this preposterous and daft measure can be deferred.

Mr Burley: You will be pleased to note, Madam Deputy Speaker, that this time I remembered to stand up to be called—16 months in and we are still learning how this place works.

I rise to support the Government motions. I start by adding my congratulations to those of the Home Secretary and the Chair of the Home Affairs Committee to Mr Bernard Hogan-Howe on being named the new Metropolitan Police Commissioner. It is the toughest job in British policing. Following the riots, I am sure that everyone in this House would wish him well in his new job.

I will briefly restate the case for the reform of police authorities and explain why it is important, before addressing some of the challenges that have been posed by Opposition Members. The first thing to remember is the simple fact that the police are a monopoly service. The public cannot choose their force. Therefore, officers must be accountable for their actions and their performance. As this Government release the grip of Whitehall by scrapping centrally imposed targets and performance measures such as the policing pledge, the stop-and-account form and some of the uses of stop and search, we need to put in place other means to ensure that police forces deliver. What we are doing with police and crime commissioners is swapping bureaucratic control of the police for democratic accountability. In my view, we are putting in place far greater, far harsher and more publicly visible accountability—the accountability of the ballot box. Anybody who does not believe me should ask any sitting MP.

The second thing we must remember is that most crime is local. It is therefore far better that forces answer to local communities than to box-ticking officials in Whitehall. If local accountability is to substitute for the centralised performance regime of the past, it needs to be strong and democratic local accountability.

The problem, therefore, is extremely simple: police authorities are not strong enough to exercise that alternative governance, and they are not sufficiently connected to the public whom they are supposed to serve. Consider this: only four of 22 inspected police authorities have been assessed as performing well in their most critical functions by HMIC and the Audit Commission; only 8% of wards in England and Wales are represented on a police authority; and according to a Cabinet Office survey conducted just a couple of years ago, only 7% of the public understand that they can approach their police authority if they are dissatisfied with policing in their area.

Virtually no one in that survey knew who their police authority chairman was. In fact, I would be interested to know how many hon. Members can intervene and tell me who their police authority chairman is.

Several hon. Members *rose—*

Mr Burley: I will take any interventions.

Owen Smith (Pontypridd) (Lab): Russell Roberts.

Graham Stringer: Councillor Murphy.

Mr Burley: Only two Members of the House could intervene and tell me who chairs their police authority, which tells us everything we need to know about their visibility. That is from MPs, not the public—we are supposed to know.

These invisible police authorities are supposed to serve the public. That is the same public who have no idea who they are, no idea what they do, no idea how to contact them, and certainly no idea that they cost them £50 million a year.

Paul Murphy: The Government prayed in aid an opinion poll that said that 7% of the people of England did not know anything about their police authorities or what they did. The hon. Gentleman might not be aware, however, that a recent survey in Wales showed that 82% of people did know about their police authority and believed that it did a good job.

Mr Burley: I understand that the survey to which the right hon. Gentleman refers was commissioned by the police authority. It might be that it posed the question to get the answer it wished to get.

A more recent survey has found that a typical police authority receives just two letters per week from the public. Let us compare that with what the de facto police and crime commissioner for London, Kit Malthouse, told the Home Affairs Committee in December last year. He said that when he was first given the title of deputy mayor with responsibility for policing,

"the postbag at City Hall on community safety went from 20 or 30 letters a week up to 200 or 300...We had a problem coping with it. That indicated to me there was a thirst for some sense of responsibility and accountability in the political firmament for the police".

He said that having one person

"allows there to be a kind of funnel for public concern".

However, the absence of a direct line of public influence is problematic not only for the public, but for police forces. Back in the 19th century, the founder of modern policing, Sir Robert Peel, said:

"The ability of the police to perform their duties is dependent upon the public approval of police actions."

After a decade in which public approval of the police fell, it has now started to rise again. That is a welcome trend, but still only 56% of the public say that the police do a good or excellent job, and a survey by Consumer Research last year found that nearly a third of those who come into contact with the police—I do not mean criminals—were dissatisfied. Of the minority who complained, nearly two thirds were unhappy with the way the police dealt with their complaint. The police were among the worst performers of the public services.

Caroline Dinenage (Gosport) (Con): Does my hon. Friend agree that people feel dissatisfied with the police—unfairly, in many cases—because of the lack of visibility of police on the streets compared with previous years, and the ludicrous deployment of police in back-room jobs, rather than out in customer-facing roles?

Mr Burley: My hon. Friend makes a good point. For me, the natural corollary of that frustration at not seeing police on the streets or feeling that there are too many in back and middle offices, is that the public feel that they have no one to complain to. People do not know how to complain. They do not know who their police authority is—we have seen that from the surveys—and there is no single, high-profile, accountable individual to whom they can complain. That compounds the frustration that my hon. Friend talks about. They do not know to whom to go to say, "We want more police on the streets and we are going to hold you to account at the ballot box unless you deliver it."

Nigel Mills (Amber Valley) (Con): Perhaps I can help my hon. Friend with his argument. A person who is minded to complain about Derbyshire police might try to find the police authority link on the front page of the Derbyshire police website, but they will find it right down in the bottom left—it has about the same significance as the link to the male voice choir.

Mr Burley: My hon. Friend makes my point for me. I would be fascinated to know whether any of the 43 police and crime commissioners elected next year will have such low visibility on their websites for people who want to contact them or complain about the police. All those points show why the introduction of police and crime commissioners is so important. They are a key element of the Government's programme of decentralisation, where power is returned to people and communities.

I want the new commissioners to be big local figures with a powerful local mandate to drive the fight against crime and antisocial behaviour. After all, they will decide policing strategy; set the force budget and the local council tax precept; and appoint, and if necessary dismiss, the chief constable—that point has been made throughout the debate. They will do those things on behalf of the public who elected them, and who will then hold them to account at the ballot box.

A key point is that the role of commissioners will also be greater than that of the police authorities that they replace. That is the significance of the words "and crime" in their title. Police and crime commissioners will have a broad remit to ensure community safety within their budgets, and to prevent crime and tackle drugs. They will work with local authorities, community safety partnerships and local criminal justice boards, helping to bring a strategic coherence to the actions of those organisations at force level. In future, their role could be extended to other elements of the local criminal justice system, ensuring that the police and those who manage offenders operate together, working to break the cycle of crime.

In short, police and crime commissioners will be big beasts: highly visible, highly accountable and highly effective. The contrast between them and today's police authorities could hardly be greater.

Vernon Coaker: Is the hon. Gentleman arguing for criminal justice commissioners? In other words, does he want locally elected people in an analogous role to that of police and crime commissioners in respect of chief constables? In my view, he does want that, but is that what he is arguing for? The House would like to be clear on whether the next stage is to have criminal justice commissioners elected by the local population.

Mr Burley: I am not arguing for that, but speculating how the role of commissioners could develop over time. The key point that I would make to the hon. Gentleman is this: there will be pressure on elected police and crime commissioners to do things in a different way. There will be pressure on them to be far more collaborative with other forces and other police and crime commissioners, for example, as was mentioned earlier in the debate, to drive efficiencies through procurement. There is no real reason at the moment for police forces to collaborate to purchase cars or uniforms together. They have not had that driver, yet they have had increasing budgets for 10 years. The guys who are elected next year will want to work with neighbouring forces. If I were elected as police and crime commissioner for Staffordshire next year, the first call I would make would be to the police and crime commissioner in west midlands, to ask, "Can we do things together? Could we collaborate to procure things together?" I would have a reason to want to reduce my budget so that I could spend it on delivering the pledges that I put in my manifesto, such as a pledge to get more officers on the beat.

The hon. Gentleman and I discussed Tony Blair's knife crime summit. I was thinking through his logic after he answered my question, but I still do not understand it, so perhaps he could help. It was okay, at a national level, for an elected politician—the former Prime Minister—to hold a summit at No. 10 Downing street, inviting all the chief constables from around the country, who no doubt could have been doing other things with their time, to ask them what they were doing about knife crime, which he had identified as an issue in this country. No doubt he was coming under a lot of pressure from the public, who were contacting him and their MPs demanding that something be done, and quite rightly he called together the police forces to bang heads together and come up with a strategy to deal with knife crime.

7.30 pm

The hon. Member for Gedling (Vernon Coaker) seemed to suggest that that was okay because it was a "national priority"—I wrote down his words—but that it was not okay locally. I cannot follow that logic at all. Let us imagine that we have a problem locally—it might be knife crime or kids racing cars down a disused road. Why is it okay to have a national priority and do something about it nationally, but not to have local priorities and to do something about it locally? I cannot understand the logic at all.

Mr David Ward (Bradford East) (LD): I am beginning to feel sorry for the hon. Gentleman, who seems to live in a really poorly policed area. My area has neighbourhood forums that the police attend. There are ward action teams involving local councillors. There are area committees on which the police are represented. There is an overview and scrutiny committee. In the police's view, they are almost scrutinised too heavily. The link should be through democratically elected local councillors. There is no shortage of scrutiny of the police in my area. I feel sorry for him.

Mr Burley: I am fortunate to live in a very well-policed area. Staffordshire has an excellent chief constable. He is one of the few chief constables to come out and say that, despite his budget reductions, he will be making absolutely no cuts to the front line until 2013. We have forward looking police forces.

Vernon Coaker: Only to 2013?

Mr Burley: He has confirmed to 2013. I do not know how long the hon. Gentleman wants him to confirm.

On the point made by the hon. Member for Bradford East (Mr Ward), I would simply quote his party's manifesto back at him. Page 72 of the Lib Dem manifesto—I do not know whether he helped to write it—stated:

"We will give local people a real say over their police force through the direct election of police authorities".

Clearly, there is a problem. All the bodies that he named are bureaucracies. He just reeled off half a dozen bureaucratic bodies that no one has heard of, that no one knows how to contact and that do not deliver what local people want. His own party's manifesto proposes a highly visible single individual who is accountable at the ballot box, whom people know how to contact and who is not next to the male choir on the website. How can that not be an improvement?

Mr Ward: *Hansard* will prove whether I am correct, but I thinkthat the hon. Gentleman read out the word "authorities", not "commissioners".

Mr Burley: I meant "commissioners".

In the time left, I would like to deal with a few of the objections raised today. People listening to this debate in the Gallery could be forgiven for thinking that only the Conservatives want to reform police authorities. This is simply not true. As I said in an earlier intervention, the case for reform of police governance has been made across the political spectrum. There is party consensus in favour of the democratic reform of police authorities, although I accept that there are differences about the best model. I have read out the Lib Dem manifesto, but I ask Members to consider the following quote:

"Only direct election, based on geographic constituencies, will deliver the strong connection to the public which is critical".

It continues:

"under the current system, 93 per cent of the country has no direct, elected representation. This is why we have proposed the Green Paper model; so that people know who to go to and are able to influence their policing through the ballot box."

Those are not my words, but the words of the hon. Member for Gedling, the shadow policing Minister, in a speech in 2008.

Joan Walley (Stoke-on-Trent North) (Lab): The hon. Gentleman is talking about Staffordshire. People in my part of Staffordshire do not want £1 million spent on these elections. They want local policing and they feel that the directly elected councillors who sit on the police authority do a good job.

Mr Burley: The hon. Lady speaks for her part of Staffordshire and I speak for mine. I can tell her that people in my constituency do not feel that they have ample opportunity to influence the policing priorities in their area, they do not know what the police authority is, they do not know how to contact it and they do not know how to get involved in all these bureaucratic panels and committees that the hon. Member for Bradford East rattled off.

The Opposition's latest form of direct accountability is not a million miles from what we are proposing—directly elected chairs of authorities. That is the Labour party's proposal. It was an idea proposed in an amendment by the shadow Minister in Committee. I was on the Committee and remember him pushing it to a vote. In my view, that would be the worst of all worlds, because we would have an individual with a mandate but unable to deliver it because he could be outvoted routinely by a committee of appointees. This model would cost more and not produce the single focus of a police and crime commissioner.

Many Labour Members have made the point today about the cost of delaying the elections. I think that we should start by reflecting on some wise words:

"We've got to go further in demonstrating value for money and delivering efficiency. We are investing a lot of money in public services, it's got to deliver results".

That was the now shadow Home Secretary in an interview with *The Daily Telegraph* in January 2008, when she was Chief Secretary to the Treasury. I could not agree with her more. In fact, I also agree fully with the next quote from the interview:

"Margaret Thatcher did talk about, you know, the housewife adding up the sums. Every family recognises the need to make sure that you can manage each month."

Quite right too! I am glad that she and I agree with Lady Thatcher.

As so often with Labour, however, when it comes to public spending, it is a case of, "Do as I say, not as I do." Its NHS national IT programme had a budget of £2.3 billion, but has now cost £12.6 billion—an overspend of 450%. Its pensions transformation programme at the Department for Work and Pensions had a budget of £429 million, but the current cost is £598 million—an overspend of 39%. Its A46 improvement programme had a budget of £157 million, but the current cost is

£220 million—a 40% overspend. But worst of all was the cost of the millennium dome. It cost £789 million to build and £28 million a year to maintain.

Mr Deputy Speaker (Mr Nigel Evans): Order. I think that we might be straying a little wide of the mark.

Mr Burley: I thank you for your direction, Mr Deputy Speaker. I shall focus my remarks. In April 2002, the National Audit Office showed that £28.4 million was spent on the dome's maintenance in the year after it was closed. For just one year of maintaining the dome, we could elect someone who represents our views; for one year of maintaining the dome, we could let local people have a say over how their area is policed; and for one year of the dome, we could replace bureaucratic accountability to Whitehall with local accountability to the people. We will therefore take no lectures from Labour on how to spend £28 million. It is far better to spend it on reconnecting the public to the police than on Tony Blair's Teflon-coated, flattened mushroom.

The Opposition object to delaying the election to November 2012. I am glad that it has been delayed to 15 November, not 5 November. Having a one-off election at the beginning of the cycle of elections for PCCs is a good idea because it will remove the charge of making them political. There will be no other elections on that day, so the first time that the PCCs are elected, no one will be able to claim that they were motivated to vote in a council vote or in a party political way. I support the delay on the grounds that it will make the first elections of these important PCCs non-political in the public's eyes. Afterwards, they will revert to the same date as the council elections, thereby saving £50 million over four years.

In conclusion, policing is a monopoly service. The people cannot choose their force. This public service has to answer to someone, and we think that local people should have the power to do something about the problems that blight their towns and city centres. We are determined to rebuild the link between the people and the police forces that serve them, which is why these reforms are right for the people, right for the police and right for the times.

Graham Stringer: I was not going to speak in this debate, but so many interesting points have been made that I decided I would. The most interesting and perverse point was made by the hon. Member for Cannock Chase (Mr Burley) when he reached his conclusion. He said—I do not have the exact quotation; I am sure that it will be in *Hansard*—that he envisaged non-political elections taking place. I think that all elections—certainly all those to major positions representing millions of people, as they would in the case of the west midlands, Greater Manchester and our other great urban conurbations—are necessarily bound to be political. I would therefore suggest that he think through a little more what he is saying and doing, because what he described is completely impossible.

I am going to vote with my party against the Government on these Lords amendments for two reasons, even though Government Members have made significant arguments that I support. The first reason is that having elections in November is difficult to say the least. Some older Members of this House may remember that local government elections used to be held in the autumn. They were moved from the autumn because turnout was low, and also because they were a long way from the rate-setting process—it was thought that the finances and the elections should be put together so that the electorate could have a direct impact. They are solid arguments: it would be a mistake to have low-turnout elections in November.

However, that is not the most significant reason why I will not vote with the Government. The second reason is that there is clearly a democratic deficit with the police. There are many good councillors on police authorities in the metropolitan authorities, but they are not directly elected to that position, which means that it is more difficult for elected politicians to have real political accountability to the electorate. However well the chair of the police authority in Greater Manchester does—and Councillor Paul Murphy does an extremely good job in that position—he is not directly elected to that position. However, although I recognise that democratic deficit—I believe in direct elections for local politicians to control the police—it is not just the relationship with the electorate that is deficient; it is the relationship with other local public services.

It is good for the police to have to argue for their budget against other services. It is good for police forces to have to sit down with people whose jobs are about child protection, care of the elderly, transport and so on and argue for their priorities, so that they can understand more what is going on. Unfortunately, we are 30-or-so years into a series of ad hoc changes to local democracy—many have been made for good reasons; some have been made for poor reasons—which have left us in a mess. We need to take a more fundamental look at what is going on in local democracy than just saying, "We've got a problem with policing; we can make it more effective by introducing democracy."

Those are the reasons why I will not be supporting the Government. On the other hand, I should like to remind some of my hon. Friends that democracy is expensive. If we asked most members of the public whether they would prefer money to be spent on two nurses or one Member of Parliament, virtually all of them would say that they wanted two nurses. However, if we asked them, "Do you want to be denied the right to determine locally who provides services?"—whether it be transport, policing or whatever—they will say that they want that right, and that right comes with a cost. Therefore, when people on this side of the Chamber say that now is not the time to spend money on improving and increasing democracy, I do not agree with them. Democracy is important and we have a deficiency; it is just that the Government's proposals are not good enough at the moment.

The second thing that has been said is that rascals or the wrong people might be elected. Unfortunately, the electorate sometimes get it wrong—some people in the Chamber will know and respect that fact—but that is the nature of democracy, and hopefully they will put it right next time. However important policing is, it is not right to say that we can have a bureaucrat, however high up they might be in the police service, telling elected police commissioners or polices, authorities that they have got it wrong. The people who tell elected representatives that they have got it wrong are the electorate at the next election, not bureaucrats, and I do not think that we can have those decisions made failsafe.

7.45 pm

The third point on which I would take issue with some Members on my side is this. I support the police—as I suspect every hon. Member in this House does—but that can sometimes be taken to mean that we cannot be critical or say that they could do the job better. They clearly could, and the riots are an interesting example to look at policing in this country. When the riots took place in Greater Manchester, the police could, in my view, have done a more effective job. That is not to criticise individual police officers who were on the streets, showing extreme bravery; it is to take issue with, potentially, the tactics and strategy used on that night. It is to take issue with the Greater Manchester police's procurement policies, which put officers from tactical aid units on the streets of Greater Manchester with 17 or 18-year-old equipment that was too heavy. It is to take issue with the tactics and strategy that sent well-trained police officers from Greater Manchester to sit in coaches in London. This is essentially about saying that we should have been able to do better than we did in protecting the property and people of Greater Manchester on the nights of the riots.

That is not about not supporting the police; it is about saying that however brave they are, things can be improved, as in every other public service. That is part of the democratic process, which is about being able to be open and critical and about trying to improve those services. However good Councillor Murphy and the other members of the police authority are, having somebody directly elected for the whole of Greater Manchester would have meant a more creative and better public debate about what was happening that evening. Indeed, it is almost impossible to imagine that not being the case.

Guto Bebb (Aberconwy) (Con): I commend the hon. Gentleman for making a thoughtful and measured speech, but surely his points are equivalent to those made by my constituents in north Wales. They feel the same support for the police, but they occasionally feel frustrated. However, because we have six local authorities in north Wales, they do not know who to approach to get their message to the local police force. The Government's measure will allow them to identify an individual who they can go to and make their point, so that they can ask for change while supporting the police.

Graham Stringer: I do not disagree with that. The hon. Gentleman makes a clear and explicit point; the point that I was trying to make is that there should not be just one person, who has only one service to think about. That person should also have to engage with the rest of our public services.

Greater Manchester has had an interesting history with its last four chief constables. They have been very different people. James Anderton ran a prejudiced police force. He was openly prejudiced against gay people, while the force that he ran was secretly—although most people knew—prejudiced in a racist kind of way. David Wilmot, who followed, was a very different chief constable who tried to improve relationships with the country. Mike Todd, who followed him, was a different kind of chief constable altogether, and now we have the current one. The interesting point is that the electorate of Greater Manchester have been left out of any of the debates about who their chief constable should be—from the bigot to the effective police officer to the peacemaker—and I do not think that that is a proper process for one of the most important services that is provided locally.

I am sorry, in a way, that I cannot vote with the Government, because there is a powerful argument for improving the accountability of police commissioners and the police service, and I hope that some of the people who have spoken on my side of the House will think a bit harder about some of those democratic arguments. Unfortunately, however, the Bill is seriously flawed, and I wish that the Government would go back and think again.

Nick Herbert: In the few minutes remaining, I want to pick up on a few of the points that have been made. First, however, I should like to add my own congratulations to Bernard Hogan-Howe on his appointment as Commissioner of the Metropolitan Police. He had a fine record of fighting crime when he was with Merseyside police and, since then, as one of the inspectors of constabulary. He has a challenging task ahead of him, and I am sure that the whole House will wish to congratulate him on his appointment.

Stephen Pound (Ealing North) (Lab): Will the Minister give way?

Nick Herbert: If the hon. Gentleman will forgive me—

Stephen Pound: It is a point of courtesy.

Nick Herbert: I will give way to the hon. Gentleman.

Stephen Pound: I am grateful. The Minister is entirely right to congratulate Bernard Hogan-Howe, but I am sure that he will also want to offer a word of commiseration to the other candidates, excellent as they were in their way—particularly, if I may say so, Sir Hugh Orde.

Nick Herbert: I am grateful to the hon. Gentleman for that intervention. I would like to extend that note of commiseration to all three unsuccessful candidates, all of whom have given great service to policing in their current jobs. I am grateful to the hon. Gentleman for reminding me of that.

The hon. Member for Gedling (Vernon Coaker), the shadow policing Minister, raised a couple of issues that I would like to address. The first related to the transition costs resulting from this reform, and if I heard him correctly, he suggested that they would amount to some £37 million. He is not nodding, so perhaps he cannot recall mentioning that figure. I would like to ask him where he got the figure from, because it is not one that the Government remotely recognise, and I challenged him on it at the time. If he reads the impact assessment that we published in conjunction with the Bill, he will see that we estimated the transition costs at just £5 million. It does not help the debate if inflated costs are put about. It has been bedevilled by exaggerated costs for the reform and the elections, and I have put on record the fact that I disagreed with some of the figures presented by the Association of Police Authorities. Indeed, I have remonstrated with the association about them. I do not know whether those are the figures that the hon. Gentleman is using, but they are not right.

Vernon Coaker: I stand by the figure of £37 million, which, from memory, some external consultants came up with. Of course the Minister will disagree with many of the estimates that have been made of the costs, because they show that the reforms will cost quite a lot.

Nick Herbert: The hon. Gentleman really must do better than that; he has been a policing Minister, as I now am. As far as I am aware, those consultants were commissioned by the Association of Police Authorities. They made a number of assumptions, including about the additional use of Home Office official time, and those assumptions are wrong. The figures that I gave the hon. Gentleman are the official figures produced by the Government, and it is our formal view—I am basing this on the advice that I am given by officials—that the estimate of the transition costs made by the Association of Police Authorities is wrong; I want to say that again.

The hon. Gentleman raised the issue of November elections. I am advised that, in the dim and distant past, elections have been held in this country in November and, in the more recent though still fairly distant past, in October. It is of course the case that the presidential elections in the United States are routinely held in November. The next such elections will be held in November next year. Indeed, it was thought possible at one time that the former leader of the Labour party and former Prime Minister was going to call an election in 2007. Presumably, that would have been held in late October or early November, but the right hon. Gentleman chickened out, as we all remember. So November elections are not such an unusual proposition.

I would like to pick up on something that the hon. Member for Alyn and Deeside (Mark Tami) said when he challenged my use of the term "middle office". He said that I had just invented it, but in so doing, he betrayed his lack of knowledge on these issues, and the fact that he has not read Her Majesty's inspectorate of constabulary's report, in which the inspectorate helpfully offers a definition of the front line. Indeed, "middle office" is a standard term in policing; it is one that the inspectorate uses. It denotes functions that are not directly public facing but nevertheless involve fighting crime.

I want to return to an important point that I made during questions earlier. A very considerable amount of police resource, and a third of all human resources, are not on the front line. That is what the inspectorate's report said, and it is clear that the hon. Gentleman has not read it; otherwise, he would not have been so astonished at the term "middle office". Hon. Members should read that report. If they did so, they would see the inspectorate's assessment of the number of officers in the back and middle office—the figure is well over 20,000—and of the way in which chief constables should consider whether those officers are in appropriate roles. As the Opposition are making a great deal of the fact that 16,000 police officers must be lost, it behoves them to look more carefully at where police officers are actually employed. There is no need for the front line to be damaged, provided that the right decisions are taken and that policing is made more efficient and transformed in the right way.

The hon. Member for Birmingham, Erdington (Jack Dromey) paid tribute to the role of our police officers in dealing with the riots, and it was remiss of me not to have done so earlier, because that was the first opportunity that I have had to do so in the House. I certainly join him in paying tribute to everything that those officers did to protect the public and property, and to everything that they went through. I remind the House that a considerable number of officers were injured during that period. In my view, it is right that the justice system operated swiftly in order to deal with the perpetrators.

In the three minutes remaining to me, I should like to comment on the speech made by the right hon. Member for Torfaen (Paul Murphy) on the relationship between Cardiff and London and the significance of the reforms in Wales. I have been engaged in discussions with the Welsh Assembly Government, and specifically with Carl Thomas—

Mark Tami: Carl Sargeant.

Nick Herbert: I am sorry; I meant Carl Sargeant. I am grateful to the hon. Gentleman.

In those discussions, I tried hard to reach an agreement with Carl Sargeant that would respect the devolution settlement in Wales. I recognise that he did not support the reform, but I pointed out that policing was a reserved matter. We wished to go ahead with it, but we also wished to ensure that the arrangements, particularly those relating to local government—a devolved matter, as the right hon. Gentleman pointed out—reflected the wishes of the Welsh Assembly Government. We came up with the legislative consent motion.

I must put it on record, however, that, quite extraordinarily, Welsh Assembly Ministers then proceeded not to support their own motion, in spite of the fact that I had negotiated it with them in good faith. I said at the time that I thought that was a pity because, in doing so, they denied the special arrangements for Wales that this Government had tried hard to promote. It is important to understand that we tried very hard and will continue to try to respect the devolution settlement in Wales on this matter and, through constructive dialogue, to make the reform work in Wales.

Finally, I agree with my hon. Friend the Member for Cannock Chase (Mr Burley), who cited Sir Robert Peel, who said:

"The police are the public and the public are the police."

The reforms are about devolving power, giving it to the people, protecting the operational independence of the police while ensuring that the public have a right and proper say in how policing is delivered in their communities.

Question put, That this House disagrees with Lords amendment 1.

The House divided: Ayes 296, Noes 220.

Division No. 345] **[7.59 pm**

AYES

Adams, Nigel	Baldry, Tony
Afriyie, Adam	Baldwin, Harriett
Aldous, Peter	Barclay, Stephen
Alexander, rh Danny	Barker, Gregory
Amess, Mr David	Baron, Mr John
Andrew, Stuart	Barwell, Gavin
Arbuthnot, rh Mr James	Bebb, Guto
Baker, Norman	Beith, rh Sir Alan
Baker, Steve	Bellingham, Mr Henry

Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Patel, Priti
Penning, Mike
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Soames, rh Nicholas
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Bill Wiggin and Mr Philip Dunne

NOES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Docherty, Thomas
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elman, Mrs Louise
Engel, Natascha
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
O'Donnell, Fiona
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Ward, Mr David
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Lyn Brown and
Mr David Anderson

Question accordingly agreed to.

Lords amendment 1 disagreed to.

8.16 pm

Proceedings interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83F).

Lords amendments 2 to 4 and 6 disagreed to.

Amendments (a) to (d) proposed in lieu of Lords amendments 1 to 4 and 6.—(Nick Herbert.)

Question put, That the amendments be made.

The House divided: Ayes 291, Noes 224.

Division No. 346] **[8.17 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan

Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hopkins, Kris
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Patel, Priti
Penning, Mike
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Soames, rh Nicholas
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mark Hunter and Mr Philip Dunne

NOES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
Davies, Philip
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Docherty, Thomas
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elman, Mrs Louise
Engel, Natascha
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hollobone, Mr Philip
Hood, Mr Jim
Hopkins, Kelvin
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
O'Donnell, Fiona
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Ward, Mr David
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Lyn Brown and Mr David Anderson

Question accordingly agreed to.

Amendments (a) to (d) made in lieu of Lords amendments 1 to 4 and 6.

8.30 pm

Nick Herbert: I beg to move, That this House agrees with Lords amendment 5.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss the following:

Lords amendments 7 to 42.

Lords amendment 43, Government motion to disagree and Government amendments (a) and (b) in lieu.

Lords amendments 44 to 52, 54, 55, 58 and 60 to 79.

Lords amendment 80 and amendment (a).

Lords amendments 81 to 97.

Lords amendment 98, motion to disagree and amendments (a) to (c) in lieu.

Lords amendments 99 to 162.

Lords amendment 163 and Government amendment (a).

Lords amendments 164 to 168.

Nick Herbert: There are many amendments to consider, and I shall be as brief as I responsibly can be in taking the House through them.

Since the Bill was first introduced, a number of points have been made against it, principally on the issues of operational independence and the alleged politicisation of the police, and on the police and crime panel's relationship with the police and crime commissioner being unclear with the panel having insufficient checks and balances to be able to scrutinise the police and crime commissioner properly. I want to reassure the House that the Government have listened carefully to those concerns. We spent many months considering them, and I believe that we have responded to all the key issues. That is reflected in the amendments we made in the other place.

I will not say any more now about operational independence, as we fully discussed that in our previous debate. I also alluded to the checks and balances, saying that we had made changes to strengthen them, and I want briefly to set out what they are. We have increased the powers of police and crime panels by allowing a veto of either the police and crime commissioner's proposed precept or proposed candidate for chief constable through a two-thirds, rather than a three-quarters, majority. That was pressed on us early on, and we agreed to it. The panel will also have the power to request the chief constable—or Metropolitan Police Commissioner in London—to attend before the panel to answer questions, alongside the police and crime commissioner; that was also urged upon us.

The changes will also give the police and crime panels more discretion to decide their own make-up, thereby allowing a more diverse mix and better geographical spread. I know how important that is to many hon. Members. The panel will now be able to co-opt additional members, and the provision restricting the number of co-opted members to two will be removed. Instead, provided it is with the agreement of the Secretary of State, panels will be able to co-opt further members, so long as the total membership of the panel does not exceed 20. A local authority will also now be obliged to nominate a locally elected mayor, should there be one. These changes further remove the provision preventing co-opted members from being local authority members; instead, there will merely be an insistence that at least two must be non-authority members. That change allows maximum possible discretion as to the panel's membership and flexibility across larger force areas or areas where local government structures vary.

Similarly, we are freeing up arrangements in London, where the London assembly will be able to decide the composition of its panel and allow the panel to contain persons who are not members of the assembly. Our approach will further allow the panel to decide the composition of its sub-committees, and allow for them also to contain non-assembly members. We have further strengthened the powers of the panel in London to allow it to veto, by a two-thirds majority, a candidate for the position of deputy mayor for policing and crime, if that individual is not a member of the London assembly. I remember discussing these issues in Committee, so I hope that the hon. Member for Eltham (Clive Efford) will be pleased that we have moved towards some of the suggestions he was making then. The changes place a new duty on the police and crime panel to support, as well as challenge, the police and crime commissioner, helping to ensure that they work together in the public interest, rather than having an adversarial or political relationship. That concept of support and challenge is important, and I am pleased that it has been introduced by way of these amendments.

The changes ensure that the London assembly will have all the necessary powers to require reports of the Mayor and to decide the constitution of its police and crime panel. They will also allow the assembly to hold a binding confirmation hearing should the Mayor wish to appoint anyone other than an assembly member to the post of deputy mayor for policing and crime. Our amendments will ensure that regulations regarding the handling of allegations of misconduct can be made in relation not just to police and crime commissioners, but to deputy PCCs, the holder of the Mayor's office for policing and crime and the deputy mayor for policing and crime.

On PCCs working with police, the criminal justice system and local government partners, the changes will help to ensure that PCCs work well with their local government partners by requiring PCCs to send copies of their police and crime plans to community safety partners and by placing a reciprocal duty on PCCs and community safety partners to have regard to each others' objectives. The changes will also ensure that PCCs hold chief officers fully to account for the way in which they carry out their duties to co-operate in safeguarding and promoting child welfare under the Children Act 2004. Our amendments will ensure that PCCs have the right powers to hold chief officers to account; they ensure that PCCs can obtain the right information from forces and that the chief officer cannot borrow money or enter contracts, except of employment, without the police and crime commissioner's consent.

We are also proposing changes in relation to deputy PCCs. These will ensure that should a PCC wish to appoint a deputy, they would have to do so through a specific process and could not appoint certain people, for example, another PCC. That will ensure greater transparency in senior appointments within the PCC's office. I should emphasise that there will be no requirement to appoint a deputy PCC; our amendment will simply allow it to happen. That inserts further flexibility and localism into the Bill by allowing PCCs the freedom to manage their affairs as they see fit.

We have discussed the appointment and dismissal of chief officers and I raised it briefly in our debate on the previous group of amendments. I wish to reiterate that it is a key part of a PCC's role and it is essential that it is properly undertaken. Chief constables should not be appointed or removed on a whim or for improper reasons. Police and crime commissioners must take these key decisions fairly and reasonably, and the arrangements must include appropriate safeguards. We have ensured that the chief constable will have the right to attend a hearing of the police and crime panel should they be facing dismissal, and to make representations at that hearing, rather than simply being able to answer questions.

We will also consult the Police Advisory Board for England and Wales on regulations for these arrangements. We have made amendments to allow a retired chief officer to be re-appointed as a chief officer, whereas previously the Bill would not have allowed that. The change will widen the pool of talent available to the service and allow PCCs to appoint the right people to the right jobs. I wish to repeat what I said about the first

group of amendments, which is that it is important to get the checks and balances on appointment and dismissal right. I hope that what I have said this evening will reassure chief officers that the Government intend that proper arrangements should be in place to deal with those procedures.

On elections and eligibility, the changes would ensure that the elections for PCCs can be properly regulated by the Electoral Commission, especially in terms of campaign spend. A lively debate took place in the other place about the role of peers in the House of Lords should they wish to become PCCs. There was a strong feeling in the other place that peers should be allowed to stand for this position and, following that debate, we introduced changes that will allow them to do so. We will allow a candidate to serve as many terms as a PCC as the public wish them to serve, rather than be limited to two consecutive terms. That will allow the public truly to decide who they wish to serve as their PCC and heighten the pressure of democratic accountability over them. It seemed on reflection that the two-term limit, which was a constitutional innovation in this country, was not necessarily appropriate.

By introducing a two-stage process for the transfer of police authority staff, the changes will allow police and crime commissioners to be properly involved in the decision about how staff will be split between themselves and the chief officer, rather than the decision being made for them by police authorities before they come into office. That will be complemented by a power of the Secretary of State to direct a policing body to vary a transfer scheme, which is an oversight power to ensure transfers are handled effectively. I believe there is general support among police authorities and chief constables for such a two-stage process.

I ask the House to agree to all these amendments and to pause to note that they represent the fact that the Government have listened to the debates on a range of subjects in the Commons as well as in the other place and responded by tabling amendments. That is contrary to what the hon. Member for Gedling (Vernon Coaker) was saying. We have listened on some of these important issues and have shown ourselves to be willing to amend the Bill and to introduce the necessary checks and balances.

The Government tabled amendments in the other place to allow the police and crime commissioner to suspend or remove a deputy or assistant chief constable who is standing in for the chief constable. I ask the House to disagree with amendment 43, because the Government have tabled new amendments in lieu of it. They achieve the same effect as Lords amendment 43 in respect of deputy or assistant chief constables, but also give the Mayor's office for policing and crime the same powers of suspension and dismissal in respect of an assistant commissioner of the Metropolitan police who is standing in for the commissioner. Meanwhile, we are amending Lords amendment 163, which gave the police and crime commissioner responsibility for complaints against a deputy or assistant chief constable who was standing in for the chief constable, again with the intention of applying it to London as well. I ask the House to agree to this Lords amendment, as amended.

Let me turn now to a couple of amendments tabled in this place. First, I want to discuss the amendment tabled by some of my hon. Friends on the Liberal Democrat Benches. I understand that the amendment is an attempt to deal with what I know is a considerable concern—the matter was raised at Home Office questions today—about the position of Cornwall. As it is a unitary authority, it would have had only one member of the police and crime panel under the Government's previous proposals. As we debated the matter in Committee, there was general recognition that that would have to be dealt with. We listened carefully to the concerns and that is why the Government amended the Bill in the other place to allow panels to co-opt additional members up to a maximum of 20. In the case of Devon and Cornwall, that will allow an additional five councillors to be co-opted. If the councils agreed to that, once it had been submitted to the Home Secretary it could potentially bring Cornwall's representation up to six members, which is proportionately higher than its current share of the police authority.

The amendment would mean that when exercising that power, Durham, Devon and Cornwall, and West Mercia police and crime panels would have to try to make representation on the panel as proportionate to the population as is reasonably practicable. Although I do not disagree with those principles, I believe we can trust elected local government representatives to make decisions in the best interests of the public. I do not think that councils would want to take advantage of a perceived benefit by denying other councils in their area sufficient representation. Government cannot prescribe in detail how those relationships can work, but it is important to note that the Secretary of State has the final say in approving the additional members of the police and crime panel who might be appointed. As I said in a letter to the leader of Cornwall council, which I copied to my hon. Friends who are Members of Parliament for Cornwall, the Home Secretary is fully aware of the situation and the potential imbalance in membership of the police and crime panel between Cornwall and Devon. We therefore expect that, in meeting the geographical balance criteria now in the Bill, as a consequence of the amendment that we tabled, police and crime panels with balanced county representation will be produced. That is now provided for in relation to the new members.

8.45 pm

I fully understand why my hon. Friends seek to promote the amendment and I fully understand that they do not wish the power of determination about who should be on the panels to be in the hands of another county, as they see it, but I hope they will be reassured by the important checks provided by the Home Secretary's having to approve the amendments and by the geographical balance provision. I believe that we have acted in a way that will meet the concerns of people in Cornwall about being properly represented on the panels. On the basis of that reassurance and on the understanding that the Secretary of State will address these issues in the approval of schemes, I ask my hon. Friends to withdraw the amendments.

Sarah Newton (Truro and Falmouth) (Con): I very much appreciate my right hon. Friend's reassurance and his answer to my hon. Friend the Member for Camborne and Redruth (George Eustice) earlier. We like to have a lot of confidence that our colleagues in Devon will act in the honourable way that the Minister has described, but can we have an absolute assurance from him that if

[Sarah Newton]

that were not the case, the Secretary of State would intervene to make sure that Cornwall had its fair representation on the panel?

Nick Herbert: I am happy to reassure my hon. Friend that were proposals brought forward that did not give that proper, balanced county representation on the panel, my right hon. Friend the Secretary of State would not be happy with those proposals. It is quite clear that Parliament's intention in promoting these amendments is to ensure a proper geographical balance. The changes are being made precisely and explicitly because there are situations in unitary authorities where that would not be achieved. If there were any attempt to subvert that by nominating members in a way that did not reflect the proper geographical balance, my right hon. Friend would not feel able to approve such a scheme. I hope that my hon. Friend is reassured by those comments, but the Government stand ready to meet her and other Members of Parliament from Cornwall, and the leader of Cornwall council if that is appropriate and he wishes it, to reassure them. Had the Bill not been amended, I would have fully understood the depth of their concerns, but I believe that the amendments address them.

On the Opposition's amendments about the appointment and dismissal of chief officers, I have explained the changes that we have made and proposed on this issue. Important safeguards are being put in place and will be put in place through regulations. The Opposition suggest that even though the panel will already be required to scrutinise the proposed dismissal of a chief constable and even though the police and crime commissioner will be required to consider the panel's recommendation, the panel should also be able to block the dismissal. I understand that that would be the force of their amendments, but that would give the police and crime panel the power to act as judge and jury on the police and crime commissioner's electoral mandate to set the direction of the force and to hold the chief constable to account. It would also circumvent the governance structure of the chief constable, who is accountable to the police and crime commissioner, not to the panel. In establishing police and crime commissioners, we are giving the public a strong and powerful elected representative to hold their chief constable to account. Ultimately they should be able to appoint and dismiss that chief constable, subject—in relation to dismissal—to the proper safeguards. That power is available to police authorities. It is fundamental to the reform.

I repeat that chief constables should not be appointed or removed on a whim or for improper reasons. Police and crime commissioners must take these decisions fairly and reasonably. The amendments are not the right way forward. It would create an impossible situation if, in effect, a police and crime panel were able to veto the dismissal of a chief constable who would otherwise be properly dismissed under the arrangements that we are putting in place, as well as under the existing arrangements. That would produce an impasse. No doubt the hon. Member for Gedling (Vernon Coaker) tabled some of the amendments in order to probe the safeguards. I fully respect that, but I hope that on reflection he will recognise that the amendment goes too far and the Government would have to resist it.

The changes that we have made will all help to bring about the much-needed democratic accountability to the public, while ensuring that the strict checks and balances that we were committed to introducing are in place, and that concerns about operational independence have been fully addressed. I am grateful for the scrutiny of the Bill in another place, which enabled us to secure a number of important amendments. I commend to the House our amendments and the approach that I have set out.

Vernon Coaker: It is fair to say that a number of the amendments that the Government have accepted improve the Bill. The Minister was right to point out some of them. I was particularly pleased to see Lords amendments 5 and 7, which place a duty on the police and crime commissioner with respect to the well-being and the safeguarding of children, a topic that we raised in Committee. Those are important amendments with which we would all agree, and I am glad the Government have accepted them. Many of the other amendments have improved the Bill, given that following the Division earlier the Bill is going through with provisions in place for the appointment of police and crime commissioners.

As a result of the Lords amendments, there is now a requirement for elected mayors automatically to be members of the police and crime panel. I gently point out to the Minister that it will be interesting to see the clash of mandates that may occur when the mayor is elected on one crime mandate and the police and crime commissioner on another.

I shall not detain the House. As I said, I accept that many of the amendments mentioned by the Minister improve the Bill. I do not want to intrude on the private grief of Devon and Cornwall. I can only imagine the private meetings and surreptitious phone calls, amendments tabled and withdrawn, reassurances given about meetings, and so on.

Amendment 98 and the amendments in lieu that I tabled would give police and crime panels the power to veto the dismissal of a chief constable. I cannot for the life of me understand why the Minister does not want at least some sort of power to be made available to either the Home Secretary through HMIC, or the police and crime panels, whereby the dismissal of a chief constable can be vetoed.

To be fair to the Minister, the Government have rightly changed the majority required to veto an appointment from three quarters to two thirds, showing that they have listened in that respect, but why do they regard the dismissal of a chief constable to be different from the appointment? A police and crime panel can veto an appointment or a precept with a two-thirds majority. The Minister questions why we would want to fetter or in any way circumvent the power of a democratically elected individual when it comes to dismissal, yet they have done that with appointment and precept. The logic seems to be that if that is wrong for dismissal, we would not have it for appointment or precepts either. I say to the Minister that I honestly believe that this is a significant and serious flaw. Indeed, I think that it is a dangerous flaw.

The Government have included the protocol, which must be agreed by affirmative resolution of both Houses, in the Bill, but we can imagine a locally elected politician with sole responsibility for the police in their area

believing that they should be able to do certain things or require the chief constable to do certain things. The chief constable could say, "No you can't, because that breaks the protocol". The Minister ought to tell us what would happen in those circumstances. Where there is such a conflict, what will happen if the chief constable says, "I'm not doing that because it's contrary to the protocol"?

Even if there is a legal means by which the chief constable could try to resist such pressure, each and every hon. Member present can imagine the emotional pressure and the strain on normal human relationships that would result from knowing that, unless they conformed to what the police and crime commissioner was asking, they could be sacked. Who prevents the police and crime commissioner from doing that? The Minister says that it is okay because the Government have amended the Bill so that the chief constable can now go to the police and crime panel and make representations. What use is that?

The police and crime panel, having heard those representations and listened to the chief constable say, "I am being treated unfairly and required to do things that are inconsistent with my view of how I should conduct policing in this area," may actually agree, but ultimately it can do nothing. The police and crime panel can say to the chief constable, "We absolutely agree with you. The police and crime commissioner is acting unreasonably and has it wrong." What can it do? The answer is nothing. It can veto an appointment, as I have said, but it cannot veto a dismissal. What sort of framework is that for the Government to set up?

9 pm

Our amendment would not even require a simple majority, because it accepts the Government's logic and view that there must be more than just a simple majority. So we accept two thirds, and a significant number of police and crime panel members would have to regard the dismissal as unfair in order to veto it, but there is no power in the Bill at all.

That goes back to what I keep saying to the Minister: if he wants to demonstrate that the police and crime panel is more than what I think it is, he has to give it some teeth. In this area, however, the Government have quite clearly failed. He said, "We don't want to give the police and crime panel that power," and, in the remarks that he just made to the House, "We don't want the police and crime commissioner to have to go to the police and crime panel, where it could act as judge and jury." Well, by that logic the panel will act as judge and jury on appointments and on precepts, but on the most fundamental question of all it will not be able to do so.

There are few hon. Members present, unfortunately, but I hope that others hear some of the debate, because I do not believe that most Members think it sensible to give that amount of power to a police and crime commissioner, however unlikely it is that such a situation may occur. One hon. Member said that it is extremely unlikely to occur, but unlikely does not mean impossible, and it is incumbent on the House to include in the Bill something that would give us the safeguard that is required.

Everybody I speak to is worried about the issue. Senior police officers are worried about it, and, although I know that the Minister does not give particular credence to these organisations, I must tell him that the Local Government Association, the Association of Police Authorities, Liberty and individual Members I speak to are worried about it, too. If he does not want to give the panel the power of veto, he might like to know that in another part of the amendment we say, "Okay, why not have a reserve power for HMIC to refer a dismissal to the Home Secretary for her or his consideration?" Looking at it, the Home Secretary would be able to say, "I believe that in this particular instance the PCC has got it wrong." If the police and crime panel is not the right vehicle for undertaking such a measure, why not HMIC?

I hope that the Government are right and the situation will never occur—that a police and crime commissioner will never sack a chief constable for reasons that generally cannot be supported. But there is a danger, and a Government who were trying to secure the proper policing governance of this country would seek to ensure that that dangers could never arise. I am frankly astonished that the Government have not sought to include in the Bill at least some sort of safeguard to prevent the misuse of that power. It really is unbelievable. I cannot believe it, most people I speak to cannot believe it, and I do not believe that if most Members thought about it they would understand the logic of allowing appointments to be vetoed and precepts to be vetoed, but not dismissals. It goes right to the heart of the Bill, and, as I have said to the Minister before, it is dangerous.

Such is the importance of the matter, I must say that, from a procedural point of view, I should like amendment 98 and the associated amendments in lieu to be put to the vote at the appropriate time.

Mike Crockart: I want to speak in favour of a number of amendments. Before doing so, however, I make a plea from the heart as a new Member of the House. I am working with the Plain English Campaign to urge simplicity and transparency in product design and communications coming from the financial services industry. Having faced a minefield of amendments, amendments to amendments and disagreements with amendments over the past few days, I suggest that the Plain English Campaign could well assist this House with some of its processes.

Let me start with amendments 70 to 78 and 80 to 83, which deal with the composition of the police and crime panels. Originally the Bill allowed for a minimum of 10 members from local authorities, or one member from each authority for police areas with 11 or more authorities, and two non-political co-opted members in each instance. Our amendments in Committee sought to create additional capacity within the membership of the police and crime panels. The Lords amendment would mean that there was still a minimum of 10 political members and two non-political co-opted members but allow for a resolution by each panel to appoint any extra number of co-opted members provided that the total number does not exceed 20.

We spent a great deal of time on this subject in Committee and debated at least 40 probing amendments to the Government's initial proposals. Then, as now, the key issue for the composition of the panel was how well it could manage to meet its balanced appointment objective as set out in schedule 6(30)(3), which bears quoting:

"The 'balanced appointment objective' referred to in this paragraph is the objective that the appointed members of a police and crime panel (when taken together)...represent all parts of the relevant police area"—

[Mike Crockart]

it says "parts", not "local authorities", to seek to ensure geographical balance—and

"represent the political make-up of…the relevant local authority, or…the relevant local authorities (when taken together)".

That is a very important sub-paragraph. Our amendments proposing to increase the size of the police and crime panels would have given the PCPs a small amount of wriggle room to meet those geographical and political balance objectives. That involved an extra two members specifically to address concerns about balance.

The Minister agreed to reflect on those amendments, and I am happy to see that what has come back here today is a significant improvement, not only on what was initially proposed but on what was included in my amendment. While my amendment would have given an additional two members to help with the balance, these new proposals give a potential eight extra members who could be co-opted on to a police and crime panel, all of whom would be subject to the balanced appointment objective. This is a significant change which gives the vast majority of PCPs the flexibility they will need to ensure that we achieve an effective body for reviewing and scrutinising the police and crime commissioner across all the constituent local authorities. Of the 41 police areas, 31 would have the potential to use the maximum eight additional co-optees and only five would have fewer than an additional four members.

The one question that remains, although the Minister has already dealt with it to a great extent, is what constitutes, or indeed necessitates, the agreement of the Secretary of State to allow for the further co-opted members to be appointed. It is clear that this power is necessary. It would be bitter-sweet to have identified the issue and proposed the amendment to deal with it only for the Secretary of State to fail to agree to the use of that power. I would like to hear more about what circumstances the Secretary of State would take into account before making that decision—as, I am sure, would those who tabled amendment 80. I do, however, thank the Minister for listening and welcome this improvement to the Bill.

Lords amendments 69 and 98 deal with the power of veto for police and crime panels over the setting of the precept and the proposed appointment of a chief constable. The issue that consumed more time in Committee than any other was that of the powers available to the PCP to discharge its duty to review and scrutinise the decisions and actions of the commissioner. We had a wide-ranging debate that examined many possible additional powers. We agreed that the sharpest teeth—or some might argue the only teeth—that the PCP will have is the power to veto the proposed precept and the proposed appointment of a chief constable.

I tabled amendments in Committee to achieve precisely what is now being proposed by the Government. In doing so, I challenged the Minister to reflect on whether any other veto power had such a high threshold of 75%. We argued, with the support of the Local Government Association, that the three-quarters majority required for the veto was too stringent and impractical to provide an effective block on the commissioner. No democratic system places executive power in the hands of an individual without providing suitable and strict checks and balances, and no strong democratic body requires a three-quarters majority to provide such a check on the executive. A veto by a two-thirds majority vote is given to the London Assembly and councils with directly elected mayors in budget matters. That would be strongly preferable and would give suitable strength to the authority of panels. It would align the commissioner model with a tried and tested framework for holding a democratic executive to account.

The move to a two-thirds majority will strengthen local democracy and accountability, and it will be a major step forward. When I made that point in Committee, the hon. Member for Gedling (Vernon Coaker) agreed with me, so much so that he was desperate for me to push the matter to a vote, despite the promise of the Minister to reflect on the points raised. However, I took the Minister at his word and I am happy to see these amendments today.

Vernon Coaker: You voted against them.

Mike Crockart: No, those are not the matters that the hon. Gentleman pushed to the vote.

In Committee, the hon. Member for Alyn and Deeside (Mark Tami) asked the Minister what percentage of amendments moved by Liberal Democrats were withdrawn rather than pressed to a Division. He was told to work it out for himself. I am happy to help him today. It was 100%. And yet, here we are with significant changes to the composition and powers of the police and crime panels. The Minister said in Committee:

"We are all adjusting to coalition politics, but it is interesting that Opposition Members are finding it harder than we are."—[*Official Report, Police Reform and Social Responsibility Public Bill Committee*, 8 February 2011; c. 456.]

Seven months on, that does not seem to have changed.

Finally, I would like to consider a missed opportunity that the Government may live to regret, although I hope not. Government Lords amendments 33, 87 and 88 relate to clause 31, which covers the suspension of police and crime commissioners. We discussed this provision in Committee and identified a drafting error, which I am happy to see has been corrected. We also discussed whether the correct threshold had been set for suspension. At present, suspension is possible only when an individual is charged with an offence punishable by a

"term of imprisonment exceeding two years."

That threshold rules out a number of potential charges which, were they hanging over him, would seem to make it incredible that a police and crime commissioner could continue to hold a chief constable to account. Those charges include assault with intent to resist arrest, racially or religiously aggravated assault, racially or religiously aggravated harassment and a number of others that were outlined in Committee. I am disappointed that the Minister, after reflecting, has not included this change in his amendments.

The Minister did propose that the power for a police and crime commissioner to stand down voluntarily would be introduced. He said that that would provide a better way to deal with such situations. Alas, unless I am looking in the wrong place, that is not in the Bill or in the amendments. That is a missed opportunity, because it leaves the potential for embarrassing situations to arise.

9.15 pm

In conclusion, the proposals go a long way to strengthening the police and crime panels and, I believe, will deliver the strict checks and balances as laid down in the coalition agreement. The Bill will bring about public accountability of the policing function, bring it out of the shadows and subject it to the full scrutiny of every member of the electorate.

Vernon Coaker: I want to know exactly where the Liberal part of the Government stands on this. Can the hon. Gentleman tell us whether he supports my proposal that the police and crime panel should have the power to veto the dismissal of a chief constable?

Mike Crockart: I will make it very clear that I do not support the hon. Gentleman's proposal, although there is an outstanding question and some further work is required. Employment law would look on the ability to dismiss someone without an appeal as being dubious at best, so there is possibly a legal aspect to look at. However, when we look at the powers in the Bill on the suspension and removal of chief constables, we see that the situation is not quite as simple as the hon. Gentleman makes out. It is not just a case of the police and crime commissioner wanting to get rid of the chief constable and his being gone the next day. A long, public process—six weeks—is kicked off, involving the panel, notifications and representations.

I do not believe for a second that any police and crime commissioner would set out on such an open and public process without a very strong case for the dismissal of a chief constable. To do so would lay the commissioner open to a very high level of public scrutiny. I cannot see a publicly elected official opening themselves up to that level of scrutiny without sufficient cause. The process that the Bill lays out will effectively stop that situation ever arising.

To conclude, the Bill brings public accountability of the policing function out from the shadows. Community safety, and the fight against crime and disorder, deserve nothing less.

Dan Rogerson (North Cornwall) (LD): It is a pleasure to follow my hon. Friend the Member for Edinburgh West (Mike Crockart), who has followed this Bill throughout its passage. He served on the Public Bill Committee, as did other right hon. and hon. Members who are in the Chamber, and he has clearly devoted a huge amount of thought over recent weeks and months to what aspects of the Bill need to be amended. Given that I am arriving at this late stage of the debate, I am grateful for the benefit of his thoughts, just as I am grateful to other hon. Members for their contributions.

My hon. Friend referred to his work with the Plain English Campaign on simplifying the language of financial products and so on. For new Members and perhaps those of us who are less familiar with speaking in debates on Lords amendments, he also pointed out how important it is to ensure that we get our terminology right. In that light, I am rising to speak to amendment (a) to Lords amendment 80, which is in my name and those of my hon. Friends. Other Cornwall Members who are in the Chamber are very sympathetic to the proposal, although their names are not appended to it, and we heard another hon. Member raise this issue at Question Time.

The hon. Member for Gedling (Vernon Coaker), with whom I had the pleasure of spending some time to discuss the Academies Act 2010, said that he did not want to intrude on any private grief in Devon and Cornwall. I can assure him that it is not grief, and nor is it private—we are here discussing the matter in public. It will not come as a surprise to him or anyone else that concerns have been raised in Cornwall, which is represented by a unitary authority that brought together the functions of the previous six district councils and Cornwall county council to form one body. The concern is that, as of right, we would have only one representative on the police and crime panel or crime and police panel—whichever way round it goes.

Nick Herbert: Police and crime.

Dan Rogerson: I defer to the right hon. Gentleman, who has lived and breathed the panels for a long time.

As we have heard, in neighbouring Devon, where they still have district councils, every council will get representation on the panel, as I understand it, regardless of the huge disparities in population between some of the smaller district councils in Devon and the Cornish unitary authority and the unitary authorities in Torbay and Plymouth—the major city on our peninsula. The message coming strongly from members of the public and elected representatives—in the form of Cornwall councillors—is that they are deeply dissatisfied that this issue has not been resolved to the point where they feel that all areas are getting equal representation. I am sympathetic to that.

The Minister has set out, very helpfully, the possibility of using co-option. As my hon. Friend the Member for Edinburgh West (Mike Crockart) said, that has been pressed for a while, and I am delighted that the Government have responded by allowing this flexibility so that local circumstances can be accommodated. We are familiar with the police authority model—I accept that it is a different type of body—under which geographical areas are represented. We want to ensure a range of views on those bodies, and co-option has been used to ensure that people from different backgrounds, for example, are represented on those organisations. That is important. Before the census this year, people in Cornwall pressed for the opportunity to recognise their Cornish identity and for it to be enumerated in the census. I was delighted when a friend of mine sent me a picture of her son's data-monitoring form in Hertfordshire, where they were able to circle "White, Cornish".

I am departing from the point a little, but I am merely trying to make the point that those of us in Cornwall who are proud of our Cornish identity would not want to feel that we were being given less of an opportunity to put our point across than our neighbours in the most westerly English county, Devon. Amendment (a) would give a bit more of a steer on how the power of co-option could be used to ensure that such concerns are dealt with. I do not think that the amendment goes far enough to reassure everybody in Cornwall that there is equality of opportunity in seeking representation on the panel, but given where we are in the passage of the Bill, it is as far as we can go while still being in order, given what is in Lords amendment 80.

[Dan Rogerson]

I want to ask the Minister about the Secretary of State's discretion to approve or not to approve the pattern of co-option that members of a panel put to her. Clearly she could decide to reject a series of proposed co-options on the basis that they did not reflect adequately the geographical make-up of that policing area. The Minister pointed that out, helpfully, although I hope that it would not be necessary. As the hon. Member for Truro and Falmouth (Sarah Newton) said, we would hope that the members of the panel who were there as of right would seek automatically to use the power of co-option constructively to secure proper representation. Hypothetically, however, should they not do so but instead seek further to entrench the position of their communities with regard to the make-up of the panel, it would be reassuring to know that the Secretary of State could have regard to the need to secure equality and therefore reject the co-options.

However, it occurs to me that were such a panel happy not to alter the geographic balance, it might simply not put forward any co-options at all. That is the fear, although we are dealing with a hypothetical situation, and I imagine—indeed, I hope—that, as the hon. Lady said, those appointed under the Bill as it stands would not seek to do that, but would listen to our debate today and to the debate out there in the community, and would reassure people by using the power of co-option in the way that the Minister has suggested would be helpful. Therefore, my question for the Minister is: if those panels decided not to go down the co-option route, what message could be sent to say that the Secretary of State would be looking to them to act in that way? What discussions might the local authorities have among themselves prior to the constitution of the panel to address some of those concerns?

Sarah Newton: My hon. Friend is making a comprehensive and thorough argument for the depth of feeling of people in Cornwall. He is getting to the essence of the issue, which is that we would prefer to have our positions in Cornwall by right, along with our colleagues from Devon and the Isles of Scilly. Therefore, our great desire is to have it made crystal clear this evening—so far we have been unable to achieve this—that we will have our positions by right and that the Secretary of State will make every effort to ensure that we truly are represented fairly on that panel.

Dan Rogerson: I thank the hon. Lady for her intervention. She is absolutely right, and that is the reassurance that people in Cornwall are looking for. Our amendment (a) to Lords amendment 80 is an attempt again to put on record the strength of feeling and the concerns that exist.

There is a wider point, which is that occasionally there are anomalies in legislation—this has applied to Governments historically—which, by their nature, will not apply to the vast majority of cases and are therefore not felt to be at the heart of what that piece of legislation is trying to do. However, as we—I hope—move as a country down the route of localism, where different authorities perhaps decide to take on different responsibilities and powers, it is important that we should have different ways of working locally and that legislation be drafted to take account of that. Perhaps that could be done through secondary legislation, to address specific examples such as Cornwall. I appreciate that there is a concern about time—the Minister will want to move towards the elections for police commissioners, and therefore the appointment of panels—but where only one or two specific areas are affected, following them up through such legislation might be a better approach. It might be too late to do that in this legislation, given how it is drafted, but the message for the Government generally is that, as we have different systems in different parts of the country, we should take the opportunity to pick that up and deal with them separately without holding back the overall thrust of legislation as it applies to the country as a whole.

I am grateful to the Minister for responding to that concern—he has corresponded with people back in Cornwall about the issue. However, I seek a reassurance from him that should the panel not to seek to co-opt, there will be a direction from the Secretary of State or some discussion with the local authorities involved to ensure that the debates that have taken place outside and inside this House—those that we have had this evening, as well as over previous months, in other stages of the Bill's progress—are taken into account, so that people are reassured and we can proceed to a panel in which people can have every confidence.

Mark Reckless (Rochester and Strood) (Con): It is a pleasure to follow my hon. Friends the Members for North Cornwall (Dan Rogerson) and for Edinburgh West (Mike Crockart). I wish to speak to Lords amendments 69 and 98. My hon. Friend the Member for Edinburgh West is leaving the Chamber, but I would just like to tell him that I enjoyed his contributions in Committee, and that when I was on a Home Affairs Committee trip to Turkey, I spent several long bus journeys reading his voluminous contributions, including those on Lords amendment 68. He put the case for the panel being able to veto certain mechanisms with a two-thirds, rather than three-quarters, majority. I was persuaded by his arguments, and I welcome the fact that Ministers have now adopted those proposals.

9.30 pm

I oppose Lords amendment 98. I am also concerned that, despite the late stage of the proceedings, the hon. Member for Gedling (Vernon Coaker) does not appear to have grasped a key element of the Bill. He seemed to suggest that there was a distinction between the dismissal of a chief constable, when the panel would not have a veto, and the appointment of a chief constable, on which he was correct. The veto of an appointment would mean that the commissioner could not then appoint that individual. Presumably, if he then put forward another individual whom the panel did not like, it could veto that individual as well and, in theory, that could carry on ad infinitum, or until an agreement was reached. That would clearly be a veto.

However, the hon. Gentleman went on—incorrectly, I fear—to draw a parallel with the setting of the precept. He stated that a police and crime panel would be able to veto a police and crime commissioner's precept. The Bill states that the panel may do that, but if the hon. Gentleman reads further in the Bill about the mechanisms that would apply, he will see that it is far from clear that there would be a veto. In the case of a so-called veto of the commissioner's precept by a two-thirds majority of

the panel, the commissioner would have to "have regard" to the veto, yet in the next step, he could set the precept anyway. I presume, given the extent that he has to have regard, that precept could not be exactly the same as the one he set before, but there is no mechanism to require him to do what the panel wants, or to allow the panel to come back. There might therefore have to be a slight change to what the commissioner wanted, but it is quite wrong—despite the language in the Bill—to suggest that the panel has a veto or that it can in any sense be judge and jury in this matter.

My concerns are accentuated by the proposed 15 November election date. In principle, I think that that is right, and it will fit in quite well with the budget cycle, at least as it is operated for police authorities. However, we shall then have the extraordinarily convoluted process in which the panel will consider the commissioner's precept and could then, with a two-thirds majority, veto it. The commissioner would have to have regard to that decision, but he could then go ahead and set the precept. So that is an extraordinarily weak power for the police and crime panel.

On Report, the Minister told us that if there was a problem, a mechanism would exist whereby a referendum could be held and the local electorate could decide between the police and crime commissioner's precept and the one proposed by the police and crime panel. That is not the case, however. The provisions for a referendum on the precept are entirely unrelated to the police and crime panel, and to whether or not it exercises a veto, and to the degree to which the commissioner has to have regard to that. The process of setting the police precept—a very small amount of the council tax—could therefore have four different actors: the commissioner, the panel, the Secretary of State and the local electorate.

There is, however, no mechanism to resolve any conflict between the panel and the commissioner. The commissioner will set the precept, and the panel could then say, "Hang on, you haven't had regard to what we want." The commissioner could say, "Yes, I have". What happens then? There is no mechanism for settling such a dispute. We are told that there will be regulations, but they will have to respect the Bill, which states that the commissioner must "have regard" to the panel's veto. What will those regulations do? They will not allow a ruling that is definitely in favour of either the panel or the commissioner. Perhaps we should split the difference, or toss a coin. I suspect that, in fact, the regulations will provide for the Secretary of State to determine the precept, which would be a complete reversal of the intention of the Bill, which is to devolve power. So we are going to set up an elected commissioner and a panel of elected councillors, acting as checks and balances on each other, but if they disagree over the key issue of the police precept, we shall have no answer to the question of what will happen next.

I fear that if the Secretary of State sets the precept, we infantilise these two new actors even before they are set up. How can they act as a check and balance against each other if they are looking over their shoulder to the Secretary of State? How can the police and crime commissioner develop a mature, responsible relationship with his chief constable if he cannot even get that chief constable money in return for the two of them agreeing a strategy to improve the local area? Do we still envisage the Secretary of State looking over 41 force areas and deciding what is an excessive precept? Will that be a single figure across the country, or will it respect the different needs and requirements of all the different areas, particularly after the spending reductions?

What on earth is the point of having an elected commissioner and a panel of elected councillors if the key decision about the precept is left with the Secretary of State—or, I fear, if these regulations do not do their job, and I cannot see how they will, letting it go straight to the courts? What does "have regard" mean? We need an answer to that question; we need some mechanism to settle it.

The mechanism I proposed—it was discussed on Report—has not yet been developed, I am afraid. My Liberal Democrat colleagues, the right hon. Member for Carshalton and Wallington (Tom Brake) and the hon. Member for Cambridge (Dr Huppert) have given this proposition their support and a number of my hon. Friends have supported it, but in order to simplify the process so that we do not have these four different actors setting the precept, and also to provide some mechanism so that we know what will happen if there is a dispute between the panel and the commissioner, I have suggested that the power to hold a local referendum should not lie with the Secretary of State, looking over the shoulders of these 41 actors across the country, but that there should be a mechanism by which the panel can resolve a dispute with the commissioner. If that panel is made up of local councillors and if the councils in the local area had to pay for a referendum if such were called, we know that the panel would exercise that power responsibly. If it felt that the commissioner had not listened and had not had regard to what it had said, this mechanism would provide the ability to deal with the situation—without the courts intervening and without infantilising the two new actors on the policing landscape by giving the Secretary of State even more power than he or she now has over setting the police budget locally, which should be a matter for local democratic accountability.

No amendment has been tabled here to deal with that situation, although I believe that the amendment I proposed on Report would have done so. The mechanisms in the Localism Bill, however, would allow the referendum to be used, but only if that Bill were amended to state that, in the context of policing, the arrangements were entirely different because a special panel of councillors from every council in the area and two independents had been set up to scrutinise the commissioner, to look over the budget and ostensibly to veto it. With that veto, however, nothing much can be done: the commissioner has to have regard, and then we know not what.

I propose that we should frame an enabling power within the Localism Bill. It would not require Ministers to do anything, but it would leave all the options for regulation open to the Home Secretary, as previously discussed. If, between now and November next year, a mechanism for the budget that will work can be developed, and will not lead to litigation and if that mechanism will not leave the Minister to decide what is going to happen all the time, and if the referendum proposals for policing can be allowed for in the Localism Bill to enable the panel rather than the Secretary of State to decide, that could provide a mechanism for precept setting that works, that empowers local democracy and that will not have this House and this Government blamed for every local decision about the precept or

police numbers. Instead, it would provide a chance for that panel, that commissioner and that chief constable to develop a mature, local and responsible relationship.

Nick Herbert: We have had a good debate and a rather more technical one on this group of amendments. The hon. Member for Gedling (Vernon Coaker) began by setting out the reasons for his amendment that was intended to achieve a veto over the dismissal of chief constables on the part of the panel. I addressed the issue when I first spoke to this group, so I shall not detain the House by repeating all those arguments, except to say that I think there is a distinction between the area of the appointment of the chief constable and that of dismissal.

I assure the hon. Gentleman that there is process around dismissal, as my hon. Friend the Member for Edinburgh West (Mike Crockart) pointed out very well. We are introducing further safeguards in regulations, and we have given a stronger role to the inspectorate of constabulary. The exercise of the power of dismissal is not untrammelled: proper safeguards are in place. However, giving a panel of appointees the power of veto over a dismissal that would be merited under the existing arrangements and through proper process, and allowing them to insist that the chief constable remain in office when the police and crime commissioner legitimately wished that chief constable removed, would be a recipe for complete deadlock in local policing. That is one reason why it would be inappropriate to extend the veto in that regard. I fear that we will simply disagree on the matter, but I agree about the principle that there should be proper process around dismissal.

Vernon Coaker: Should the Government find out that there was a problem with the process in due course, would primary legislation be required to change it, or could it be changed through an order-making power or a process other than primary legislation?

Nick Herbert: We are putting in place regulations in relation to the procedures for when a police and crime commissioner wishes to dismiss a chief constable. We are discussing that with the Police Advisory Board. There is an order-making power.

Vernon Coaker: Is the Minister saying that, if the Government were to decide in due course that a veto power with respect to dismissal was appropriate, primary legislation would not be required to introduce it?

Nick Herbert: To clarify the matter for the hon. Gentleman, the procedures do not extend to the power of the panel. If we wanted to give the panel the power of a veto, that would have to be determined by primary legislation. The matter must, therefore, be settled now. I have set out the Government's case fully, but it seems that he disagrees with us.

Mark Reckless: Will my right hon. Friend confirm that what he is saying would apply also to my point? Although the Localism Bill contains mechanisms for a referendum, were we to want to use that to settle a dispute between the panel and the commissioner, the provision would have to be on the face of the Police Reform and Social Responsibility Bill or, perhaps better, the Localism Bill, for the panel rather than the Secretary of State to have that power. Without that, we are left solely with the "have regard" formulation.

Nick Herbert: I hope to be able to answer my hon. Friend's question in a moment.

I had already sought to addressthe issue of the position of Cornwall as a unitary authority, which my hon. Friend the Member for North Cornwall (Dan Rogerson) raised very well with his amendment. I hope that my earlier comments about the power under the Bill will help to answer his concern.

Having spotted that the amendment did not allow the Secretary of State to impose unilaterally members who had not been proposed by the police and crime panel, the hon. Gentleman raised the interesting question of what would happen if the panel did not propose any co-opted members. He was right to suggest that we would not have the power of direction, but discussions would of course take place, and I have already indicated that we would be unhappy if a proposal for additional members of the Devon and Cornwall police and crime panel did not reflect geographical balance. We would certainly seek meetings with the relevant local authorities to discuss the issue.

9.45 pm

I think it was right to give the power to local authorities, because that is the basis on which a panel is constituted to decide on increasing the number of co-opted members, rather than the decision being imposed centrally. However, we have the ability to approve membership, and I believe that our safeguards are sufficient to ensure that a sensible arrangement will be reached. We will certainly bring the full weight of Government to bear to ensure there is a proper balance between Cornwall and Devon.

My hon. Friend the Member for Rochester and Strood (Mark Reckless) raised the issue of the procedures relating to the veto that a police and crime panel may exercise on the setting of a precept, and the role of the Secretary of State in relation to an excessive precept. I should like to clarify a couple of the points that he raised, although I should be happy to discuss with him further an issue that he has raised with me separately, and about which he has written to me.

I can confirm that our proposed regulations will be able to specify how a disagreement will be dealt with, and to deal with what the phrase "have regard to" would mean in such circumstances. What we have been trying to avoid is a situation in which there is endless argument about the precept, and in which the system is effectively halted. We must establish a mechanism to resolve differences.

I believe that the regulations will deal with my hon. Friend's concern. I do not accept the claim that this is a weak power simply because the police and crime commissioner must only "have regard to" the veto. I believe that the police and crime panel has a de facto veto over a precept that it does not want, but procedures for resolution must be built in. I should be happy to discuss with my hon. Friend how the regulations would work, and indeed we should be grateful for the benefit of his experience as a member of the police authority.

As for the powers of the Secretary of State, I should point out that he or she will not decide the precept, but will decide the threshold at which a referendum should be triggered. Such a referendum would put the decision in the hands of the people, so it cannot be characterised as a centralist power or a denial of localism. My hon. Friend is a passionate localist, and he knows that I am as well. I can tell him that I am satisfied that the final say would rest with the people, and, in that sense, would be far more legitimate than a power exercised at an earlier stage in the process by the police and crime panel.

Mark Reckless: There are two potential issues in the Secretary of State's involvement. One of them is to do with setting an excessive precept level in respect of the Localism Bill, and the other arises when a panel vetoes and the commissioner "has regard to" that, and the panel and the commissioner have a dispute. My concern is that unless the commissioner or panel make a decision—although I cannot see how that can happen given the reference to "have regard"—these regulations will lead to an appeal to the Secretary of State, who will then in some respect have even greater central power than under the current system.

Nick Herbert: I appreciate my hon. Friend's point to the extent that there are two checks in this process: the check that is provided by the police and crime panel, thereby giving a voice to local authorities in this matter, with every local authority in the policing area represented on the panel; and the check that is provided ultimately by the people, triggered by the Secretary of State suggesting that there may be an excessive precept and substituting, effectively, a democratic lock for an administrative lock. My hon. Friend is right that two procedures are riding side by side in this respect, and we have to work out how they fit together. We hope to achieve that through the regulations. We are, effectively, following the proposals on the democratic lock set out in the Localism Bill, but I repeat that I would be very happy to have a meeting with my hon. Friend to discuss how these regulations will be shaped and how we might establish procedures that are workable and that ensure policing does not grind to a halt if there is a dispute. I hope that what I have said reassures my hon. Friend in the interim, and I look forward to having those discussions with him.

I think I have now responded to all the issues raised in what has been a useful, if somewhat technical, debate.

Lords amendment 5 agreed to.

Lords amendments 7 to 42 agreed to.

Lords amendment 43 disagreed to.

Government amendments (a) and (b) made in lieu of Lords amendment 43.

Lords amendments 44 to 52, 54, 55, 58 and 60 to 97 agreed to.

Schedule 8

Appointment, Suspension and Removal of Senior Police Officers

Motion made, and Question put, That this House disagrees with Lords amendment 98.—*(Mark Tami.)*

The House divided: Ayes 202, Noes 300.

Division No. 347] **[9.53 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Bell, Sir Stuart
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Campbell, Mr Alan
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Docherty, Thomas
Dodds, rh Mr Nigel
Donohoe, Mr Brian H.
Dowd, Jim
Doyle, Gemma
Dugher, Michael
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hamilton, Mr David
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Irranca-Davies, Huw
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan

Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
O'Donnell, Fiona
Onwurah, Chi
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Jonathan Reynolds and Angela Smith

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hallon, Robert
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen

Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Patel, Priti
Penning, Mike
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Bill Wiggin and Mark Hunter

Question accordingly negatived.
Lords Amendment 98 agreed to.

10.10 pm

Proceedings interrupted (Programme Order, this day).

The Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83F).

Amendment (a) made to Lords amendment 163.

Lords amendment 163, as amended, agreed to.

Lords amendments 99 to 162, 164 to 168, 53, 56, 57, 59, 169 and 170 agreed to.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6),

ENVIRONMENTAL PROTECTION

That the draft Storage of Carbon Dioxide (Access to Infrastructure) Regulations 2011, which were laid before this House on 20 June, be approved.—*(Miss Chloe Smith.)*

Question agreed to.

PETITION

Spring Gardens Care Home

10.12 pm

Greg Mulholland (Leeds North West) (LD) *rose—[Interruption.]*

Mr Speaker: Order. May I appeal to Members who are leaving the Chamber to do so quickly and quietly, affording the same courtesy to the hon. Gentleman that they would want to be extended to them in similar circumstances?

Greg Mulholland: Thank you, Mr Speaker.

I present a petition on behalf of the Friends of Spring Gardens campaign group, a group in my constituency formed by families, friends and supporters of residents facing the loss of their care home as a result of a raft of care home closures across the city by Leeds city council.

The petition states:

The Petition of residents of Leeds,

Declares that the Petitioners believe that Leeds City Council should act now to stop the closure of Spring Gardens care home in Otley; notes that the home is the only council-run care home in the Otley catchment area; also notes that most of the residents are in their 80s and 90s and the closure of the home would severely disrupt their lives.

The Petitioners therefore request that the House of Commons urges the Government to encourage Leeds City Council to take the necessary steps to stop the closure of Spring Gardens care home.

And the Petitioners remain, etc.

[P000956]

Swansea Coastguard

Motion made, and Question proposed, That this House do now adjourn.—*(Miss Chloe Smith.)*

10.14 pm

Martin Caton (Gower) (Lab): In April, together with five other south Wales MPs, I responded to the original coastguard reform consultation exercise, "Protecting our Seas and Shores in the 21st Century". In that response we expressed our reservations about the whole approach being proposed and the absence of alternative options. We argued that the proposals were so seriously and dangerously flawed that they should be withdrawn to allow proper consideration of a new plan, built on the skills and expertise of our coastguard, that properly rewards them for their work and provides them with adequate equipment and systems to deliver a service fit for the 21st century. That remains my position. I believe strongly that, in Wales, Holyhead, Milford Haven and Swansea should all be kept open as 24-hour coastguard stations.

However, I will not use my time this evening to repeat arguments made in that consultation process and in earlier, more general debates about coastguard reform in this House. Instead, I want to concentrate on the case for the retention of Swansea maritime rescue co-ordination centre, which is based in Mumbles in my constituency. The Swansea centre is by far the busiest on the Welsh coast and, indeed, one of the busiest in the country, dealing with more incidents every year than Holyhead and Milford Haven put together. It is responsible for the whole coast from Carmarthen in west Wales to Gloucester in England and down the Bristol channel on the English side as far as the Cornish border. In doing so, it liaises with six police forces and a large number of other professional and voluntary emergency services. It has a range of expertise and a track record that is second to none. It also provides the base for the Maritime and Coastguard Agency's regional business unit, which deals with accounts, surveys and so forth.

In the original consultation document on the reform plans, it was proposed to retain Swansea coastguard, albeit on a daylight hours basis, and close Milford Haven. Then, in July, the Secretary of State for Transport reversed that recommendation in his statement on coastguard modernisation. I do not know whether the Minister has any idea of the alarm and outrage that have been aroused in the Swansea area and spread around the south Wales coast and down the other side of the Bristol channel as a result of the statement.

Nia Griffith (Llanelli) (Lab): Does my hon. Friend agree that, as the highest concentrations of incidents are on the Gower and north Devon coasts, it is positively perverse to consider closing Swansea, which is the busiest station with the more detailed knowledge of the greater area?

Martin Caton: I completely agree with my hon. Friend.

People who know the coast and the waters covered by the Swansea centre cannot believe that the Government are proposing that there should be no coastguard station anywhere on the Bristol channel. These people know how dangerous a place the channel can be. It has the second highest tidal range anywhere in the world, which is potentially a fantastic resource for power generation, but also a source of increased risk to people on the sea and the coast. They have seen the increase in shipping traffic in recent years and, even more so, the massive growth in coast and marine leisure activities in the area, which has put more and more demands on our coastguard, but demands that the Swansea station has always been able to respond to.

There is a massive campaign, centred in Swansea, but involving people around the Bristol channel. It is cross-party, involving Conservative, Liberal Democrat, Labour and Plaid Cymru supporters, and many more people of no political affiliation. A "Save Swansea Coastguard" petition has so far attracted more than 100,000 signatures, and I understand that the number of individual responses to the new consultation on the changed recommendation that call for Swansea to be saved will be at least in the hundreds. Today, that campaign brought its message to the House via the River Thames.

In a letter to me on 16 December 2010, the Minister wrote:

> "On the basis of an evaluation of the existing sites and the facilities available at them, it is proposed that three of the proposed sub-centres be located at Falmouth, Humber and Swansea."

This evaluation was on the basis of a location assessment document that provided the criteria for comparing the existing stations. We can only hope that this was a comprehensive piece of work, because it was the basis for deciding which network of centres could best deliver the service on which this country's marine and coastal safety depends.

I was therefore surprised that the Secretary of State, in announcing the changed proposal, felt able to say:

> "In the light of a further review of the potential costs of vacating the existing sites in Swansea and Milford Haven which has shown that there are no financial reasons to favour either location",

and then go on to say,

> "we should retain the coastguard centre at Milford Haven rather than the centre at Swansea."

I think that that is wrong. The Swansea centre is a freehold building with a long-term ground lease, providing long-term security of tenure. There is virtually no rent. The Milford Haven site is rented at something like £25,000 a year.

Both the Secretary of State and the Minister for Shipping have also maintained that, from an operational point of view, Milford and Swansea are level pegging, but in fact Milford and Swansea have never been equivalent in operational capacity—if an objective judgment is made. One way to make one is to employ the very location impact assessment criteria used by the Maritime and Coastguard Agency to choose the best sites for the future coastguard network.

I am grateful to have received from the MCA a copy of the document setting out those criteria. When we study it, we find that it is very difficult, if not impossible, to believe that it was used at all in deciding between Swansea and Milford. One important factor that the MCA highlights is the need to make best use of the agency's existing property portfolio. It states:

> "This is particularly the case where there are other MCA functions currently co-located with an MRCC".

Swansea shares its centre with the MCA regional business unit and a radio site.

Another criterion to be employed, according to the MCA, is population. It states:

"Sub-centres would most sensibly be located in areas with a reasonably large population and pool of job seekers to facilitate future recruitment",

and that is significant when considering Milford and Swansea, because in recent years the agency has found it difficult to recruit in Pembrokeshire. In fact, of the past six coastguards appointed to Milford Haven, only two have been from Pembrokeshire; the rest came from other parts of Wales, including Swansea. In addition, the location impact document states that

"it makes sense to have the sub-centres evenly spread."

Switching from Swansea to Milford, however, makes them less evenly spread.

Finally, the agency states that

"the broad co-location of a co-ordination centre with the volunteers of the coastguard rescue service, other search and rescue partners and local regional resilience fora is a factor in the overall assessment of preferred sub-centre locations".

Again, Swansea is the better site—even more so because so many Swansea coastguards are also volunteer rescue officers.

So, using the MCA's own location assessment document, we find that Swansea outscores Milford on just about every criterion. Swansea is by far the better location, but a sensible location assessment process should look at other factors: the quality of communication links by road, rail and air; the comparison of facilities and space at the centres; the comparison of broadband links at the centres; and hotel space availability in case of major incident. Again, Swansea proves the better option by a long way.

I hope that in responding the Minister will be able to tell me whether those MCA criteria, and the other factors that I have suggested, were used in deciding between Swansea and Milford. He should be able to do so, because we know that the decision was made by Ministers, not by the MCA.

Geraint Davies (Swansea West) (Lab/Co-op): Is my hon. Friend aware of the considerable concern of Swansea's inward investors, not just in tourism but in industries such as wind farms, shipping and ferries, about the risk of removing Swansea? Given the growth of those industries, the value of those investments completely dwarfs the cost savings that the Minister is trying to engineer.

Martin Caton: My hon. Friend makes a very valid point.

As I was saying, this was a ministerial decision. Sir Alan Massey, the chief executive of the agency, told us so when he came to Swansea. He said:

"Ministers have made this judgement based on employment and that's way above my pay grade!"

But that is not exactly what Ministers have done, is it? If Milford and Swansea had been exactly equal, and I believe I have demonstrated that they are clearly not, I suppose that it would have been reasonable to have taken into account comparative unemployment in the two catchment areas. If Ministers had done that, they would have established that unemployment in the Swansea area is worse than in the Milford area, but that is not what they did. Perversely, Ministers decided to look at how many Department for Transport jobs there are in each location.

Mrs Siân C. James (Swansea East) (Lab): I am sure that my hon. Friend is aware of the suggestion that there might be too many Department for Transport jobs in Swansea. One implication in the Government's proposal document was that there would be ample opportunity for coastguard employment in other areas, such as in the Driver and Vehicle Licensing Agency.

Martin Caton: My hon. Friend has a close association with the DVLA, and I know that she knows there is no overlap between its work and that of the coastguard.

So, the Government say that Milford Haven should have the coastguard. What nonsense. Any logical method of deciding the best sites for operational effectiveness appears to have been abandoned and replaced with that strange new criterion, which can only be described as arbitrary at best.

In responding, can the Minister please inform the House whether, when he and the Secretary of State decided to recommend closure of Swansea and retention of Milford Haven, they took into account the quality of road, rail and air communication; available population for recruitment purposes; the fact that Swansea is larger, more flexible, rent free and has a much better broadband link; the fact that the MCA regional business unit is co-located with the MRCC and a radio site in Swansea; and the fact that MRCC Milford Haven is close to a number of sites relating to COMAH—the Control of Major Accident Hazards Regulations 1999?

If the Minister's answer to those questions is yes, that prompts the biggest question of all: in that case, how on earth could he and the Secretary of State have come to the recommendation that they did? I am sure that there will be much speculation about that in the weeks and months ahead, but I will not go down that road this evening. Rather, I appeal to the Minister to look at all these factors now and after the consultation period ends, take them all into account and give them their due weight. Maritime and coastal safety demands that we have the best network of maritime resource co-ordination centres that we can achieve, and logic demands that that includes Swansea.

10.25 pm

The Parliamentary Under-Secretary of State for Transport (Mike Penning): It is a pleasure to respond to this debate, and a pleasure, at this time of night, to see so many hon. Members in the House to listen to a debate about a very serious subject that the hon. Member for Gower (Martin Caton) knows I take very seriously within my portfolio. Earlier, I apologised to him personally for the fact that my office had not informed him that I would be in his constituency last Tuesday—an error for which I take full responsibility.

When I took up this wonderful ministerial position following the general election and my appointment by the Prime Minister I found many documents on my desk, one of which was about the modernisation of the coastguard. It is not traditional to have a shadow spokesman present in such debates, but the current shadow Minister was the Minister with my portfolio

[Mike Penning]

when the original consultation proposals were put on the table. The situation that I inherited in this part of the world was that there were three MRCCs. I have to emphasise to the public that these are co-ordination centres, not the places where the people who physically carry out the rescues are based. I think there has been some confusion about that around the country. The volunteers are certainly not touched by this; in fact, their roles will be enhanced and there will be more equipment and more people to facilitate the work that they do.

I inherited the situation that we would go from having three co-ordination centres in Wales to having one. Nobody disputed that at any time when I went round to each of the coastguard centres. Everybody knew that the coastguard needed to be modernised. That had been the subject of dispute for many years, with huge disruption to a national emergency service. As the hon. Gentleman said, we therefore made the decision to go with the original proposals and we went out to consultation on that basis.

I have said from the outset in all the debates, publicly and in the meetings I have had with hon. Members from various parts of the House and in places that I visited around the country, that we would come out of the consultation with a different set of proposals, because otherwise there would have been no point in having the consultation—it would have been a sham. We have experienced sham consultations in this House over the years—I certainly did as a Back Bencher—and I would not allow that to happen. I was absolutely adamant that we would go out and listen and ensure that we came out of the listening process with a 21st-century emergency service that had a resilience it did not have when we went in, and that we would look carefully at the concerns of the public and, probably more importantly, the coastguard—the experts who are there doing the job day in, day out—about the future requirements.

Tessa Munt (Wells) (LD): I want to draw the Minister's attention to my constituency, where we have Brean, which is a holiday destination, Berrow, and Burnham-on-Sea. Burnham-on-Sea is unique—it has peculiar tides and very swift and difficult changes on the mudflats, where any number of people and vehicles will become stranded over the summer. I have visited the volunteers who make up the local crews for Burnham-on-Sea coastguard and the Burnham area rescue boat. They have such a hard job to do, and they are very alarmed, as are local people, about the closure of Swansea, which would leave us in Somerset looking to Milford Haven, which is 60 miles to the west.

Mike Penning: I thank the hon. Lady for that intervention. If she bears with me, I will address those concerns as part of my response to the hon. Member for Gower. More importantly, the concerns were addressed to me only on Tuesday when I was in Swansea, and I will come on to that.

As I was saying, we were determined to come out of the consultation having listened to the concerns of the public, Members of this House and, importantly, the coastguard. When I went around the country, the first station that I went to was Liverpool. Just as on Tuesday, there was a picket. I pay tribute to the picket that happened in Swansea when I was there. As it was described in the press, it was a silent picket. The people were unbelievably generous to me. When I went down to them after I had driven in to explain the process to them, they listened intently and thanked me for coming. That is the response that I have had all around the country.

Martin Caton: My feedback from the Minister's visit has been very positive. People felt that he was really listening to them. He has just said that meaningful consultation is important. I hope that he will really listen to what the people told him in Swansea, to what I and my colleagues have said tonight and to the submissions that we will all make to the consultation.

Mike Penning: I thank the hon. Gentleman for that intervention. As I said to the local journalists, I would not have been there if I was not willing to listen. Having done the first consultation in the way that we did, I would not have gone through this part of the consultation, with the Secretary of State's permission, if I was not willing to listen, because there would have been absolutely no point.

Mrs Madeleine Moon (Bridgend) (Lab): Will the Minister tell me whether, in the consultation process, any of the voluntary coastguards along the south Wales coast, the north Devon coast and the north Somerset coast have said that they—those who do the job on the ground—feel that Swansea should be closed and that Milford Haven would be more relevant and appropriate? My Porthcawl coastguards are not saying that.

Mike Penning: I will continue to take interventions and am happy to do so all night if colleagues want to intervene, but it will affect how much I can speak and whether I can respond positively to all the comments, which I hope to do. I will answer this intervention. The consultation does not finish until 6 October, so it would be wrong and improper for me to comment on any of the submissions until then. Just as in the first consultation, all the submissions will be published online so that everybody has access to them. That is only right and proper. That is not always the case with consultations that are done around the country, but we said that we would do that and we did it with the initial consultation. The second part is different from the first consultation because it is restricted, which I will come on to, but people will know exactly what the emergency rescue crews are saying and what others are saying.

One of the first things that was said to me in Liverpool was that people had been arguing about this for years and that they knew they had to modernise. The Public and Commercial Services Union, which was involved in the negotiations long before I became the Minister, said that there were issues to do with pay, retention—which I know has been alluded to—and recruitment. One can see why there are problems with recruitment in some areas, considering that the basic starting salary is about £13,500 a year. That makes it hard to recruit good-quality people. As much as we rely on people's determination to serve their community, they have to pay their mortgages and bills. We said that we would

look at that. Right at the end of the meeting in Liverpool, one of the senior coastguards stood up and said to me, "We said years ago that there should be nine stations."

Most of those who responded to the first consultation did not question me about an individual station. They did not say that I was a nasty, horrible person, that I should not be doing this job or that I was only acting for party political reasons. If people look at the changes around the country, they will see that there are no partisan politics involved at all. If anybody wants to raise that point now, they may do so. There is a smirk on the face of the hon. Member for Bridgend (Mrs Moon). If she wants to show me anywhere in the country where I have used party politics, I will give way to her.

Mrs Moon: The Minister gives me the opportunity to respond, but I must tell him that there is a certain cynicism in south Wales that a party political decision has been made in relation to the choice between Swansea and Milford Haven.

Mike Penning: I thank the hon. Lady for her honesty, but she should take a look at what I did around the country. The Western Isles is a Scottish National party constituency; Holyhead is in, I believe, a Labour constituency; and I have shut Brixham in the west country, which is in a Conservative area. I have taken huge amounts of flack, but people should look around the country before throwing those sorts of accusations at me. I knew the hon. Lady was alluding to those with her smirk, which is why I gave way. I have not taken that approach in any shape or form. If I had done so, why am I looking at Holyhead in the way that I am? The Labour Government were going to close two and leave one in Wales, but I will definitely come out of this procedure with two in Wales, no matter what happens.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC) *rose—*

Mike Penning: I am not going to give way, because I have exactly five minutes left. I wanted that answer out, because I saw the hon. Lady's smirk.

Martin Caton *rose—*

Mike Penning: The smirk was not from the hon. Gentleman, and that accusation was not put to me at Swansea at any time when I was there. I was praised at Swansea—they said that all the way through, I had handled the matter in a non-party political way. That is the way I will continue to handle it.

Martin Caton: The Minister has spent most of his time speaking of the original consultation exercise. I have put many questions to him this evening, and as he says, he has only five minutes to respond. Can we get on to the latest consultation exercise and the points that I have made in this debate?

Mike Penning *rose—*

Mr Speaker: Order. For the avoidance of doubt, there are eight minutes remaining.

Mike Penning: We have eight minutes left, and I have taken many interventions. We would have been a lot further on had I not done so, but that would not have been fair to hon. Members.

The hon. Gentleman has made many points, and I will answer as many of them as I can. Many of them were made in the consultation process. Although I am unable to answer all the points today, when the consultation is over we will respond. All the points that the hon. Gentleman has made tonight will be part of the consultation.

I was trying to build a picture of the coastguard around the country and of the people who actually do the job. I have said to myself, and to Sir Alan Massey, the chief executive of the Maritime and Coastguard Agency, and to my chief coastguard as we have gone around the country, that the Government know that 18 is not the figure that should remain and that the figure should be around about eight or nine. That was put to us in submissions from around the country. In Belfast, it was put to me that there should be eight. I asked the Belfast coastguard, which works very closely with the Swansea coastguard co-ordination centre, why it had chosen in its submission to keep Swansea and not Milford Haven. Everybody who was there will know that Belfast said that its submission was based on the cost of closing Swansea compared with the cost of closing Milford Haven.

To answer one of the points made by the hon. Gentleman, I came back to London and asked for those costs to be analysed. I felt that if we were going to do this right around the country—hon. Members should remember that we had not come to our full conclusions on which stations should stay open and which should close, and whether or not that would mean having part-time, "day manning" stations, or 24-hour stations—I needed to make sure in my own mind, for when I stand before the House and others, that the MCA's early cost analysis on the choice of Swansea or Milford Haven was right. When the figures came back, I was told that that analysis was not right. I was told that if we were to come out of Swansea completely, it would be a very close fiscal decision between Swansea and Milford Haven.

We then completed the process, Mr Deputy Speaker—

Geraint Davies: You've been demoted, Mr Speaker.

Mike Penning: Sorry, Mr Speaker. We have known each other for many years, and I am sure you will not take offence. Oh, dear.

We looked at the main concerns, which included 24-hour stations and local knowledge. In the Secretary of State's statement, we accepted those two points. We felt that leaving the station open as what I, as an ex-fireman, would call a "day manning" station was not right and we had to come up with a formula that would allow us to come down to the numbers that we needed to come down to while having the national resilience that we were looking for and a maritime operations centre or headquarters that could feed out in major incidents. So we made two decisions. The first was to come down to the key 24-hour stations and to have one MOC, not two, which actually will give us enough money to keep stations open 24 hours a day.

[Mike Penning]

The second decision was obvious. It was obvious to me when we were doing the work that, if we were worried about topography, as I call it, being an ex-fireman, and local knowledge, which was the general concern, we ought to look at the pairs—or the twins or whatever we want to call them—which cover for each other regularly. That is how they have been structured. We did not have national resilience, which is why the coastguard co-ordination centres were paired off. They covered for each other. Some were paired off quite arbitrarily. For instance, Belfast was paired with the Clyde. But they did it and it worked. We decided that, if those were the criteria for pairing, we would take one of the pairs away. They are in the consultation now because initially the proposals did not include Swansea. However, having decided to move one of the pairs, logically we had to consult on Swansea and Milford Haven, as well as Liverpool and Holyhead—Liverpool was in the consultation with Belfast and the plan had been to close Holyhead—the 24-hour centre in northern Scotland and the Western Isles and the single MOC. That was the basis of the consultation now.

Jonathan Edwards *rose—*

Mike Penning: No, I am not going to give way because I have time issues.

On Milford or Swansea, I have listened carefully to hon. Members' points, particularly on local knowledge, the skills, the amount of work that the centres cover and so on. I can tell the hon. Member for Gower that, when I was there on Tuesday, the Swansea centre was closed. The co-ordination centre was closed—Milford was covering Swansea that day.

Several hon. Members *rose—*

Mike Penning: No, I am not going to give way. I have given way quite a bit.

Martin Caton: Had there been an emergency, Swansea would have taken it on because pairing does not work.

Mike Penning: No. From a sedentary position, the hon. Gentleman says that pairing does not work. He is wrong. It was not open. It was covered by Milford Haven—*[Interruption.]* It was covered by Milford. That is a fact. No one can argue with that. Had there been an emergency, Milford would have covered it, just as the pairs have covered for each other around the country. *[Interruption.]* He says, "No, no," from a sedentary position. I understand his concerns. If I was in his position, I would probably be fighting the same way, but this has to be based on evidence, and the evidence is that these two stations co-ordinate more and work closer together than any other two in the country. That is why Swansea switched off on Tuesday, when I was there, and Milford took control.

Hon. Members have talked about the concerns of constituents around the county, but on that day Milford had control. That is a fact. No one can take that away. Whether or not there was a crisis—*[Interruption.]* Look, I am an ex-firefighter. If a control centre is open, it is open. If there are appliances, there are appliances. The cover on Tuesday was from Milford, as has been the case on many occasions. I will let the hon. Member for Gower know when that has happened previously.

Martin Caton *indicated dissent.*

Mike Penning: I was there. I saw it. Sadly, he did not. The hon. Member for Swansea East (Mrs James) was there. She knows. It is a fact. *[Interruption.]* It is not rubbish—it is a fact. Sitting there and talking about an emergency service in such a way and just saying "Rubbish" is ludicrous. I know about this. I have visited all these people. Milford covered and does cover on a regular basis. The pairing system works. It is one of the reasons why even the Opposition Front-Bench team have looked at our proposals, which are a million times better than the proposals that they had. Instead of sitting there and saying silly things from a sedentary position, Members should have a proper debate. That is what I have tried to have all the way through. We should try not to be partisan; we should try to be honest about what is available now.

On Tuesday, as on many other occasions, Milford covered while we held the meetings. If Milford goes down, Swansea covers, and vice versa. We are looking at—

10.44 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Tuesday 13 September 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES AND TRANSPORT FOR LONDON (No. 2) BILL [*LORDS*] (*BY ORDER*)

Second Reading opposed and deferred until Tuesday 11 October (Standing Order No. 20).

Oral Answers to Questions

JUSTICE

The Secretary of State was asked—

Insolvency Litigation

1. **Yvonne Fovargue** (Makerfield) (Lab): What recent discussions he has had with Her Majesty's Revenue and Customs and the Insolvency Service on the viability of insolvency litigation following the implementation of the reforms proposed by Lord Justice Jackson. [71306]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): The Department has received many representations about different aspects of implementing the reforms proposed by Lord Justice Jackson, which we are taking forward in the Legal Aid, Sentencing and Punishment of Offenders Bill. I and my officials continue to have discussions with Government Departments and others on implementation generally, including with Her Majesty's Revenue and Customs and the Insolvency Service in relation to insolvency proceedings.

Yvonne Fovargue: In June, the Minister said that he was discussing with HMRC and the Insolvency Service the specific implications of the Jackson reform for the punishment of dodgy directors of insolvent companies, with a view to reaching a satisfactory conclusion. Three months down the line, what conclusion has been reached?

Mr Djanogly: Our current position is not to depart from Lord Justice Jackson's recommendations on recoverability, with the sole exception that we have outlined in the Bill. However, the Government are aware of the particular issues concerning the impact of abolishing conditional fee agreement recoverability in relation to insolvency and related proceedings. I and my officials will continue to assess and discuss the implications.

Mr Mark Spencer (Sherwood) (Con): Will the Minister find time to meet me to discuss the case of a company based in Staffordshire that sold hot tubs and which defrauded many of my constituents? It took their money, went into insolvency and became a phoenix company.

Mr Djanogly: I shall listen to the circumstances of my hon. Friend's case, but it might be one for the Department for Business, Innovation and Skills rather than the Ministry of Justice. If it is relevant to my Department, however, I will be happy to meet him.

Prisoners (Work in Custody)

2. **Jessica Lee** (Erewash) (Con): What recent progress he has made in making prisoners work while in custody; and if he will make a statement. [71307]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): We have made clear our intention to make prisons places of work and industry. We are already making good progress towards longer prisoner working weeks at a number of prisons, including 13 early-adopter sites that are implementing regimes designed to facilitate increased working hours. We are continuing to develop a framework that will enable us to maximise this approach across the prison estate. To achieve this, we are looking at the experience of other countries and have established a business advisory group to help us to deliver prison industries that operate on a commercial basis so that much more work can be delivered at no cost to the taxpayer and can contribute to victims' services while competing fairly in open markets.

Jessica Lee: Does my hon. Friend agree that having prisoners do real work will help not only by tackling the culture of idleness in prisons, but by giving prisoners valuable vocational skills that we all hope they will put to good use upon their release?

Mr Blunt: My hon. Friend is absolutely right. There will be substantial benefits from bringing this policy to scale, which I am optimistic we can do. There will be benefits to victims from the resources generated by the work that prisoners do; to the taxpayer from relieving the cost of the regime; and to the stability of the prison regime, as she mentioned. However, there will also be a substantial rehabilitative benefit to prisoners who will leave prison with a CV that includes skills training in the work in which they have been involved as well as experience in the work itself.

Mrs Jenny Chapman (Darlington) (Lab): We all agree that prison industry is good for rehabilitation, but how many additional prison officers does the Minister think will be needed to supervise movement around the estate and to ensure that prison industries are secure and properly delivered?

Mr Blunt: The hon. Lady is absolutely right. If we are to change prisons from being simply places of security and of warehousing people, where work is wedged in when possible, there will be additional costs to the prison regime. The businesses that go into prisons will have to generate the resources to support that.

Mr Julian Brazier (Canterbury) (Con): In strongly welcoming my hon. Friend's initiative, I urge him to consider the position of young people on remand. As successive prison inspectors have said, it cannot be right to have young people, even though they have not been sentenced, sitting about not required even to undertake any education let alone work.

Mr Blunt: Again, my hon. Friend is right. Remand prisoners pose a particular challenge, in the youth estate as well as the adult estate, because of the speed with which they tend to turn over in those institutions. That makes getting work for them more difficult, but there needs to be a proper focus on programmes for all people in custody following a proper assessment of their rehabilitative requirements.

Kate Green (Stretford and Urmston) (Lab): The Minister will be aware that women in prison are often under-occupied. Will he tell us what special attention he is giving to creating working opportunities for women who are serving custodial sentences?

Mr Blunt: This agenda has to apply to women as well as to men. The sad fact is that, overall, too many of our prisoners are under-occupied, whether women or men, and the same attention must be paid to the women's estate as to the men's estate.

Corporate Harm (Overseas Victims)

3. **Caroline Lucas** (Brighton, Pavilion) (Green): What his policy is on the right of overseas victims of alleged human rights abuses by UK multinational companies to access justice in the UK. [71308]

7. **Katy Clark** (North Ayrshire and Arran) (Lab): What recent discussions he has had with the Secretary of State for Foreign and Commonwealth Affairs on his proposed reform of access to justice for overseas victims of corporate harm. [71312]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): Overseas victims of alleged corporate harm by UK international companies are, where appropriate, able to bring civil claims in the UK now, and that will continue to be the case following implementation of our reforms to civil litigation funding and costs. My officials and I are in contact with the Foreign and Colonial Office—*[Laughter]*—the Foreign and Commonwealth Office as and when necessary to discuss the impact of our proposed reforms to legal costs in this class of case in this country, the Commonwealth or the colonies.

Caroline Lucas: I thank the Secretary of State for that interesting reply. Notwithstanding his response, he will be aware that the United Nations Special Representative on Business and Human Rights has said that clauses 41 to 43 of the Legal Aid, Sentencing and Punishment of Offenders Bill will present a major barrier to justice for overseas victims of human rights abuses by UK multinationals, not least because of the significant increased cost burdens. Will he therefore withdraw those clauses from the Bill?

Mr Clarke: We are not changing the jurisdiction in this country, which certainly does entertain claims in personal injury cases and so on against multinational companies that have some footing in this country. All we are arguing about is how much is paid in legal costs. The reforms to the no win, no fee arrangements that we are proposing would ensure that the costs would be fairer, more balanced and not out of proportion to the claim. We are not making any change at all to the jurisdiction. Most of the cases against multinational companies are not human rights cases; they are personal injury cases. Many of those cases might be attracted here because our present system of rewarding lawyers is far more generous than can be found in any other jurisdiction in the world.

Katy Clark: The Secretary of State will be aware that the UN Committee on the Elimination of Racial Discrimination has also criticised the reforms, which would remove access to justice for the victims of corporate abuse overseas. Does he not recognise that the reforms could result in there being no disincentive to environmental and other abuse? Will he not look at this again?

Mr Clarke: As I suggested a moment ago, I regard it as just a little disingenuous—I hate to say that about UN agencies—to suggest that we are in any way undermining the jurisdiction here for dealing with racial discrimination or serious personal injury cases involving British companies. What we are talking about is how much the lawyers are paid by way of success fees and other costs. The Trafigura case was a classic scandalous personal injury case involving a British company and an incident in Côte d'Ivoire, in which £30 million in compensation was awarded by the British courts to the plaintiffs and £100 million was paid in legal costs to those who brought the action. All we are doing is going back to where no win, no fee used to be—in getting the costs and the claims back in proportion to each other.

Mr Andy Slaughter (Hammersmith) (Lab): What we are talking about is whether such cases will get into court at all under the regime that the Government are proposing. It appears they will not listen to Her Majesty's Revenue and Customs on insolvency, or to Amnesty International, Oxfam or the United Nations on multinational cases. Now, Admiral, the leading specialist motor insurer, is saying that premiums will go up as a result of the proposals. Is it not time to think again, and to stop favouring insurance companies, crooks and multinationals over their victims?

Mr Clarke: If the hon. Gentleman wants to widen this argument, which is perfectly legitimate, to include a general proposition as well as multinational company cases, the questions must be: how much is proportionate to the claim when it comes to paying costs, and what effect does no win, no fee, since it was changed, have on the judgment on both sides? We do not want such cases to be such a high earner for the plaintiffs' lawyers that they are prepared to bring more speculative cases, which is happening at the moment. Nor do we want pressure to be put on defendants who have a perfectly sound defence, forcing them to say, "We cannot defend ourselves, because it will cost us less to pay a nuisance fee by way

of settlement." Justice involves striking a balance between what the lawyers are paid and what the plaintiffs get by way of compensation.

Bail Decisions (Right of Appeal)

4. **Mr Gordon Marsden** (Blackpool South) (Lab): What assessment he has made of the proposal to allow a right of appeal of decisions by judges to grant bail following the death of Jane Clough and other cases. [71309]

The Minister for Policing and Criminal Justice (Nick Herbert): There is a right of appeal against bail decisions made by magistrates, but not against those made by the Crown court. This is not a straightforward matter; we are examining the issues very carefully to identify the best way to take this forward.

Mr Marsden: Jane Clough was stabbed to death outside Blackpool Victoria hospital by her former partner who had been freed on bail after being charged with nine counts of rape, and a similar case took place in the Blackpool area in the previous year. Jane Clough's parents' MP, the hon. Member for Pendle (Andrew Stephenson) has introduced a ten-minute rule Bill, which commands wide support. I wrote to the Lord Chancellor this July, asking him to give families and the Crown Prosecution Service the chance to appeal against this judicial bail decision. Will the right hon. Gentleman and other Justice Ministers at least consider making this change to the bail law? After such horrific events have taken place, it is not good enough simply to wash their hands of this subject when they have the power to make the change.

Nick Herbert: I am not sure whether the hon. Gentleman is aware of it, but along with my hon. Friend the Member for Pendle (Andrew Stephenson), I have met Mr and Mrs Clough. This was an appalling case in which a young mother was tragically killed. No one could have failed to be moved by what the parents said. They made a powerful case and I have said that the Government are considering my hon. Friend's proposal, but Crown court judges are judges of some seniority and we need to assess the issues with care.

Philip Davies (Shipley) (Con): Ministry of Justice figures show that more than 10% of all crimes and almost 20% of burglaries are committed by people on bail. Is it not time that the Government clamped down on the courts giving people bail and tightened the rules? Is it not self-evident that the more people are remanded in custody, the fewer the crimes will be committed and the fewer victims there will be?

Nick Herbert: I am sure that my hon. Friend is aware that many people who are remanded in custody and subsequently found either to be either guilty or not guilty would not have merited a custodial sentence. That is an issue that the House has to confront.

Sadiq Khan (Tooting) (Lab): I am afraid that the Chamber will be concerned about the complacency of the language used in the Minister's response. I am sure he will agree that judges, like the rest of us, are not infallible and make mistakes. If he accepts that and the fact that it can lead to catastrophic effects, why not allow the CPS the right to appeal in limited circumstances against a decision of a Crown court judge to grant bail?

Nick Herbert: I have answered this question, and I thought I did so in very reasonable terms. I said that we all appreciated that the case was very serious and that the Government would consider the proposal. We have to be aware, however, that granting an appeal on a decision of a Crown court judge—a more senior member of the judiciary than a magistrate—raises serious issues, which need to be considered with care.

Sadiq Khan: I am really sorry to raise the matter again, but a justice Bill is going through Parliament and it seems to the rest of us to provide the ideal opportunity to make the change required. The Minister will be aware that many colleagues—and not just those in the House—constituents up and down the country, victims of crime and experts working in the justice system all think that Ministers in the Justice Ministry are not fit for purpose. They were out of touch when it came to the issue of rape; they were out of touch when it came to providing a 50% reduction in sentence to those who pleaded guilty; and I am afraid they are out of touch on this issue. The Bill is in Committee, so will the Minister agree to support our amendment, which would allow the CPS in limited circumstances to appeal against a decision of a Crown court judge to grant bail?

Nick Herbert: I am not sure how many times I can repeat to the right hon. Gentleman that I have said that the Government are considering these matters. I am not going to announce policy on the hoof when very serious issues are raised. It is not proper to make a link between the provisions in the Bill and the case that arose because the restriction on custodial remands in the Bill applies only to magistrates courts and not to the Crown courts—so it would not have affected the case that gave rise to the question.

Office of the Chief Coroner

5. **Gavin Shuker** (Luton South) (Lab/Co-op): Whether his Department has undertaken a cost-benefit analysis of the implementation of the office of chief coroner. [71310]

19. **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): Whether his Department has undertaken a cost-benefit analysis of the implementation of the office of the chief coroner. [71326]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): An impact assessment for part 1 of the Coroners and Justice Act 2009 was published by the Ministry of Justice in December 2008. It summarised the full costs and benefits of implementing the coroner provisions in the Act.

Gavin Shuker: I am grateful for that answer. Baroness Finlay, working with the president of the Royal College of Pathologists, proposed a model with much lower running costs—just £300,000—than those that the Government are talking about. So will the Minister accept that the costs for the office he is proposing could be reduced?

Mr Djanogly: I have met and discussed this point with Baroness Finlay on a number of occasions. The previous Government said that the set-up costs were going to be £10.9 million and the running costs would be £6.6 million a year. We looked at that those figures and we agree with them. The problem is that as we have to maintain the independence of the judiciary, the chief coroner—if there were to be one—could, unfortunately, not be based in the Ministry of Justice, as Baroness Finlay wanted.

Tom Blenkinsop: The delays and current practice in the coroner system is having a direct impact on bereaved families, particularly in the Teesside area. What costs to the UK health services arise as a result of the current coroner system?

Mr Djanogly: We remain committed to fundamental reform of the coronial system. I know that there are particular issues to address in the hon. Gentleman's constituency, and they are being dealt with. Implementing the office of the chief coroner would require new funding, which simply is not available in the current economic climate. Our proposals will allow us to deliver those reforms, but without those additional costs.

Sir Alan Beith (Berwick-upon-Tweed) (LD): Does my hon. Friend recognise that there is a much cheaper and more cost-effective way of raising professional standards and creating a head of the coronial profession? That would involve designating a serving coroner as chief coroner and giving just minimal assistance to support him in that role.

Mr Djanogly: Unfortunately, the existing legislation would not allow that; the job would have to be done by a High Court judge or a circuit judge. The point of the matter is that we are putting in place a ministerial committee, which will answer to Parliament in a way that a chief coroner never could.

Mr James Gray (North Wiltshire) (Con): As the repatriation of fallen soldiers through RAF Lyneham and Wootton Bassett in my constituency comes to an end, I know that the Minister will wish to join me in paying tribute to the first-class work done by the Wiltshire coroner over some four or five years. Will the Minister also now work closely with the Royal British Legion to ensure that the maximum possible support is available for bereaved families as these inquests proceed?

Mr Djanogly: I certainly congratulate the coroner on his work in tough circumstances. I also wish to tell my hon. Friend that I have met representatives of the RBL on a number of occasions. I believe that our reforms will improve the situation for the armed forces tremendously, through the national charter that we are providing and the ability to train coroners to military standards.

Robert Flello (Stoke-on-Trent South) (Lab): There is a long list of organisations that wish to see a chief coroner in post and just the Minister who thinks he knows better. The Government's fragmented proposals for the coronial system contain no mechanism to improve the appeals and complaints process—that was to be a key function of the chief coroner's office. Nobody really believes that the proposed coronial board, reporting to Ministers, will fulfil that role. Does he think it acceptable to expect families to have to continue to pursue expensive judicial reviews and litigation in respect of coronial decisions, at great cost also to the taxpayer, and have no way of holding to account those coroners who do not deliver for bereaved families?

Mr Djanogly: As I have said, the Government are committed to urgent reform of the coronial service, and this is exactly what we are going to be doing. We are putting in place all the provisions under the 2009 Act, except the appeal process, which was going to cost £2.2 million a year. We feel that the existing processes are adequate.

Mesothelioma Sufferers (Access to Justice)

6. **Toby Perkins** (Chesterfield) (Lab): What recent representations he has received from people with mesothelioma and mesothelioma support groups on the potential implications of his proposed reforms to legal aid. [71311]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): Legal aid for personal injury claims was abolished by the previous Administration in 1999, so I take the hon. Gentleman to be referring to the proposed reforms to civil litigation funding and costs, and will answer on that basis. I have received several letters from MPs and others about the potential impact on mesothelioma sufferers. The Government's package of reforms includes a number of measures to help claimants. We believe that valid claims will still be brought under the new regime but will be resolved at more proportionate cost.

Toby Perkins: Mesothelioma victims are often in the last year of their life by the time they are diagnosed and many are already too ill to seek redress. The proposals to prevent their being able to recover afterwards from the insurance premiums will mean a big up-front cost for many people. Derbyshire asbestos support team is very concerned that they and their families will miss out on access to justice because of these proposals. What can the Minister do to ensure that those people, who are very ill and who do not have trivial claims, have access to justice?

Mr Djanogly: The hon. Gentleman makes an important point. We recognise that reducing the time from diagnosis of the disease to settlement of the claim without the need for litigation would be preferable. Proposals to introduce a scheme that will incorporate a fixed time scale and cost each stage of the claim so that only the most complex cases reach litigation are being considered.

Referral Fees

8. **Mr Jack Straw** (Blackburn) (Lab): What decisions he has reached on implementing the recommendation of the review by Lord Justice Jackson to abolish referral fees. [71313]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): As the House was informed on Friday 9 September in a written ministerial statement, the Government have decided to ban referral fees in

personal injury cases as recommended by Lord Justice Jackson. The ban complements our wider reforms to no win, no fee arrangements, which are being taken forward in the Legal Aid, Sentencing and Punishment of Offenders Bill.

Mr Straw: May I first express an unequivocal welcome for the announcement that the right hon. and learned Gentleman and the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly), made on Friday not only in respect of motor insurance but more widely about implementing this central plank of Lord Justice Jackson's recommendations? Since the Justice Secretary used the word "ban", which I think is the correct word, may I ask him whether he accepts that, given the level of malpractice we see across the legal and paralegal industry, the ban will have to be backed by the criminal law?

Mr Clarke: First, may I say that I am glad that my old friend the right hon. Member for Blackburn (Mr Straw) and I are in complete agreement on this subject? It is not the first time. He got in first, really, because I waited for the opinion of the Legal Services Board, which I have not followed but which I had to consider, and he rightly prompted a decision. People who agree with us include not only Lord Justice Jackson but my noble Friend Lord Young in his report, "Common Sense, Common Safety", the Law Society, the Bar Council and the Association of British Insurers. The main beneficiaries will be claimants who are genuinely referred to the best expert to act for them and the justice system in general. We are now considering the way in which to put this into practice, but it is likely to be in the form recommended.

Mr Robert Buckland (South Swindon) (Con): Developing on that point, does my right hon. and learned Friend agree that we should consider not only criminal law but close liaison with professional bodies to ensure that strict disciplinary action is brought against individuals or bodies who seek to circumvent any ban by rebranding fees as other costs or, worse still, start an emerging black market in referrals?

Mr Clarke: My hon. Friend makes extremely sensible and welcome suggestions. We have not decided exactly what form the ban will take yet, so I will not predetermine its eventual form. As the professional bodies strongly support us, we look forward to their co-operation because they are in the best position of all to ensure that different types of abuse with the same bad consequences are not used to evade the ban.

Human Rights Act

9. **Mr William Bain** (Glasgow North East) (Lab): If he will make an assessment of the effectiveness of the Human Rights Act 1998 in respect of the balance between fundamental liberties and obligations to society. [71314]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): We have established an independent commission to investigate the creation of a United Kingdom Bill of Rights. The commission is due to report no later than the end of next year and the Government look forward to receiving and considering its findings.

Mr Bain: I am grateful for that answer. Does the Secretary of State support Liberty's campaign, entitled "Common Values", that seeks to separate the myths from the truths of the Human Rights Act, which has, for example, protected the victims of rape from being cross-examined in court by their assailants? Is this not the right way to tackle what the Prime Minister recently called the misrepresentation of human rights?

Mr Clarke: The best way to answer that is to say that I agree with the campaign, with the hon. Gentleman and with the Prime Minister. A perfectly serious debate has taken place about human rights legislation and I look forward to the commission's advice. A lot of the difficulty comes when human rights are invoked by officials in excuse for bad decisions or in all kinds of cases that have nothing to do with any human rights legislation. We would have an altogether more sensible debate if people understood the real problems and difficulties—and that they are not all problems and difficulties.

Andrew Bridgen (North West Leicestershire) (Con): For many, the perception of the application of human rights law is that the pendulum has swung too far away from responsibilities and duties. Does my right hon. and learned Friend agree that the commission will present a good opportunity to extend the understanding that with rights go responsibilities?

Mr Clarke: I think the commission is a very helpful idea for getting some objective and balanced advice on the whole subject. Otherwise, I agree with my hon. Friend that there is no reason why human rights should interfere with the proper balance between the responsibilities and duties that one properly owes to society. Everybody in this country is in favour of basic human rights and everybody wants to have an orderly society. I think the commission will help to steer the debate in a more sensible direction.

Jeremy Corbyn (Islington North) (Lab): Will the Secretary of State take this opportunity to assure us that any review of the Human Rights Act will not include withdrawal from the European convention on human rights or the European Court of Human Rights? Will he recognise that both those institutions have done a great deal of good to improve the human rights of minorities and ordinary citizens across Europe and that the convention is worth staying in?

Mr Clarke: The convention was largely drafted by British lawyers led by Lord Kilmuir. Successive British Governments have adhered to the convention and have put great value on it and the Court. Since the fall of the Berlin wall and the end of the cold war, the convention has acquired new importance in making sure that we support advancing standards in eastern and central Europe. There is not the faintest chance of the present Government withdrawing from the convention on human rights, and we are waiting for the commission to give us—[Hon. Members: "Ooh!"] Have a look at our coalition agreement. Indeed, it is not just the coalition agreement—we have agreed to have a fresh look at this through the commission and we are not prejudging its findings.

Gang Culture

10. **Dr Thérèse Coffey** (Suffolk Coastal) (Con): What steps he is taking to eradicate gang culture within prisons and young offenders institutions. [71315]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Youth and adult custodial establishments have access to a range of accredited programmes that address offending behaviour, including gang-related issues. Programmes include engaging community and voluntary sector groups to help deliver solutions to gang-related issues, and the National Offender Management Service and the Youth Justice Board support this work. The Government are developing a cross-departmental programme of action to tackle gangs and gang violence. An inter-ministerial group will report to Parliament in October.

Dr Coffey: I thank the Minister for that answer, which goes part of the way to addressing these issues. However, when I visited the Warren Hill young offenders institution in my constituency last year after there had been a riot, one of the reasons cited for the riot was the growing emergence of gang culture and the fact that when people are placed in young offenders institutions, proximity takes priority over gang dispersal. I would like him to look at this policy again.

Mr Blunt: I am very grateful to my hon. Friend for the interest she takes in Warren Hill. I have followed up the discussions that we have had and I assure her in relation to gang violence that there is no absolute, rigid rule that proximity should take precedence. When placing young people and adults into custodial establishments, both the YJB and NOMS take proper account of all the factors required and there is emerging good practice around identifying gang affiliations.

Keith Vaz (Leicester East) (Lab): As the Minister knows from the evidence that has been received about the recent riots in London and other cities, a number of people involved in gangs were part of those riots. Will he ask his Department to deal with organisations such as User Voice, which consists of ex-offenders who were in gangs, which are willing to work with the Ministry of Justice and assist it in its projects?

Mr Blunt: The right hon. Gentleman has made an excellent suggestion, which I am very happy to pass on to officials in the Department.

Mr Philip Hollobone (Kettering) (Con): Many of the foreign national prisoners in our jails are members of foreign national EU gangs that commit organised crime in this country. What is the Justice Department doing to tackle this aspect of gang culture in our cities and in our prisons?

Mr Blunt: Of course, where evidence and intelligence of that kind are received, they will be acted on to make sure that those gangs cannot operate within the prison estate and that gang members are properly dispersed by the placement decisions taken by NOMS. We will also want, as we do with all foreign national prisoners, to try to make sure that those people go home to serve their sentences.

Prison Population

11. **Stephen Pound** (Ealing North) (Lab): What assessment he has made of recent trends in the size of the prison population; and if he will make a statement. [71317]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): Since the summer of 2008, the prison population has been increasing much less quickly than had been the case for a number of years. The public disorder in early August has, however, resulted in a sharp rise in the number of prisoners in recent weeks, with the prison population reaching 86,842 on Friday 9 September. Despite this unprecedented rise, sufficient capacity has been maintained in the prison estate to accommodate the prison population effectively.

Stephen Pound: Like any decent, reasonable human being, I am grateful for that answer from the Secretary of State. Could I ask him to give credit to the prison officers who have participated in this expansion, and the people working within the prison estate? It cannot have been easy for them. An additional 500 operational usable places have appeared in the last few weeks. Where from?

Mr Clarke: First, I agree strongly with the praise that the hon. Gentleman gives to the prison officers. The system did respond—the criminal justice system responded very well to the totally unexpected pressure of the riots. Partly it proved that our criminal justice system does work well in such circumstances. Secondly, it was entirely because of the public-spiritedness and good will of prison officers, probation officers, policemen and court staff, all of whom responded to the events with horror, as did every decent member of society, and decided to put the public interest first.

We always carry a cushion in the prison estate, because we do not know what number of prisoners will come. I know the consequences, which some of my predecessors have encountered, of running out of places in the prisons, and for that reason, I am glad to say, we were able to cope—there is still sufficient capacity—and it is very important that we continue to do so.

Tom Brake (Carshalton and Wallington) (LD): Has the Secretary of State had time to consider the Make Justice Work report, "Community or Custody?" which sets out clearly how much more effective properly managed community sentences are than short-term prison sentences, and the potential for greater use of community sentences to push down the prison population?

Mr Clarke: We have to have all forms of punishment available, because no two cases are the same. What is likely to be most effective with one offender may not be with another. We do have to punish, and then we have to see what we can do to rehabilitate and prevent people from reoffending. But I quite agree: for some prisoners, the best effect from the public point of view—returning them to an honest life—can be achieved by non-custodial sentences, and the Government hope to make them more credible to magistrates and to strengthen them, so they can be used effectively in suitable cases.

Sadiq Khan (Tooting) (Lab): The Secretary of State has, on a number of occasions, said and written that he intends to reduce the prison population significantly over this Parliament. As he has confirmed, 16 months into the Parliament, the prison population is at a record high. It was also at a very high level before the riots. As he is aware, the prison estate is struggling to cope. Prison officers and probation officers are increasingly stretched, and prisoners are spending even longer times idling in their cells rather than engaged in productive activities such as work. In the light of that, is he still committed to reducing the prison population significantly, and if so, how will he do it in a way that puts public protection first?

Mr Clarke: I do not think I have ever said that. I have made it quite clear that the prison population responds to demand. I did not anticipate the riots, but we have to have a prison population that can cope with the judgment of judges and magistrates who send us a number of people who have to be dealt with and punished in that way. I have said that I expect to have a more stable system, but I cannot understand why everything possible was done under the last Government to push up the total number of prisoners but to let them all out earlier, so that the system looked tough but actually turned into something of a shambles. I am also hoping that prison can be made somewhat more effective, and that it might be better at putting people to work, getting them off drugs, tackling their mental health problems and getting fewer of them to go on to commit more crimes—

Mr Speaker: Order. I am grateful, but we must move on.

Special Immigration Appeals Commission

12. **Mr Edward Leigh** (Gainsborough) (Con): What steps he is taking to improve the functioning of the Special Immigration Appeals Commission. [71318]

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): The operation of the Special Immigration Appeals Commission is kept under regular review. There are no present plans to change current arrangements.

Mr Leigh: Too often immigration cases are deliberately spun out using never-ending reviews and ever-upwards appeals. What steps will the Minister take to protect the much-needed immigration reforms proposed by the Government from such delaying tactics?

Mr Djanogly: Parliament has on previous occasions decided against the ousting of the High Court's judicial review jurisdiction. The Supreme Court recently indicated that it considered it would not be appropriate for the Government to take that route. However, improvements are being made. The legal aid reforms currently before Parliament seek to remove legal aid from repeat applications for judicial review in immigration and asylum cases.

Reoffending Rates

13. **Ben Gummer** (Ipswich) (Con): What recent progress he has made in implementing his policy of payment by results to reduce the rate of reoffending. [71319]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Payment by results is gathering pace. We are piloting a number of different approaches to see what works best. Two prison pilots have been put in place at Her Majesty's prisons Peterborough and Doncaster.

Pilots also will begin in public sector prisons next year. Six justice reinvestment pilots have been put in place through memorandums of understanding with either local authority chief executives or local police chiefs in Manchester and London.

In 2012 two community pilots will commence to rehabilitate offenders while serving sentences in the community, in addition to one or more provider-led innovation pilots. We are also working with the Department for Work and Pensions through the Work programme and with the Department of Health on drug and alcohol recovery to look more widely at payment by results mechanisms which fully—

Mr Speaker: Order. I advise the Minister, for next month the answers should be a bit shorter. They are just a bit too long.

Ben Gummer: I thank the Minister for that careful reply. He will be aware of the Justice Committee's recommendation that contracts should follow the offender through the criminal justice system, rather than attach themselves to the various institutions through which he or she might pass. What progress has the Department made in considering those proposals?

Mr Blunt: My hon. Friend will have realised, given the number of pilots we are conducting—I am sorry, Mr Speaker, that the list was too long for me to deliver satisfactorily—that we are testing the different elements of the system to identify the best and most effective way to deliver payment by results. I hope that, in the end, we can deliver the offender-centric process on which my hon. Friend relies, once we have identified which part of the system makes offenders best respond to effective rehabilitation measures.

Fiona Mactaggart (Slough) (Lab): Do any of those projects help to test whether providing housing for people leaving prison helps them to be less likely to reoffend?

Mr Blunt: Housing—having a home to go to—is plainly a key crime desistance factor, but an awful lot of other key factors, such as work and drug addiction, are well-documented. We want to get out of the business of identifying exactly what inputs people must deliver to offenders, but make all sorts of institutions responsible for focusing on the outputs and let them take the decisions about which are the appropriate desistance factors to address for the offenders whom they are treating.

Victims of Overseas Terrorism

14. **Gemma Doyle** (West Dunbartonshire) (Lab/Co-op): When he plans to bring forward proposals on compensation for victims of overseas terrorism. [71320]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): Compensation for victims of terrorism overseas is being considered alongside the Government's review of victims' services and compensation in this country, at the conclusion of which we will publish a consultation document. We plan to make an announcement on the victims of terrorism overseas at the same time as we launch the consultation.

Gemma Doyle: I thank the Minister, but the families of the victims of overseas terrorism and the survivors were promised on 28 June that an announcement would be made "in the coming weeks". Some two and a half months have now passed with no announcement. How much longer should the victims and their families expect to wait?

Mr Clarke: I have to confess that the hon. Lady has a valid point on the timing, but the fact is that it makes sense to consider the victim support that we give, the present criminal injuries compensation scheme and the support that the Foreign Office gives overseas alongside the proposed terrorism compensation scheme. This has always been a great difficulty over the years. We can all recall that, probably over the past 20 years, people's aspirations to help victims here and abroad have run rather ahead of the arrangements made to finance them. I assure the hon. Lady that we are having to look at this again. I realise that we are slipping behind the timetable that we announced, but we will proceed as quickly as we can.

Public Disorder (Courts)

15. **Bob Blackman** (Harrow East) (Con): What recent assessment he has made of the operation of the courts during the public disorder of August 2011. [71321]

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): The courts responded swiftly, fairly and properly during the recent public disorder and continue to process cases as soon as they are brought by the prosecution. Although it is too early to make a final assessment of the courts response to the disorder, my Department is reviewing all aspects of the response to find out whether opportunities for continued improvement in public service can be identified.

Bob Blackman: I thank my right hon. and learned Friend for that answer. One of the lessons of the riots was that those who were responsible were arrested, held on remand and processed through the courts and, if found guilty, began their sentences almost immediately, thus protecting the public and acting as a significant deterrent to others. Surely, that should be the norm, rather than the exception.

Mr Clarke: First, I have already praised the staff of all the services involved for the service that they delivered, and I think that we have all noticed that it was possible to handle certainly the straightforward cases much more quickly than we have become too used to regarding as the norm elsewhere. Obviously, we realise that we cannot expect such extraordinary efforts to be made all the time and in all normal circumstances, but efficiency can be improved. My right hon. Friend the Minister for Policing and Criminal Justice is taking a particular interest in improving the efficiency of the system and learning the best lessons that we can from our welcome experience of the riots.

Kerry McCarthy (Bristol East) (Lab): It seems that in the immediate aftermath of the riots, in many cases, courts completely dispensed with asking for pre-sentence reports. One of the consequences was that parents of young children received custodial sentences, and no regard at all was paid to what would happen to those children. Does the Secretary of State agree that when parents are sentenced to custody, there ought to be automatic checks on what happens to the children?

Mr Clarke: My colleagues and I have just been checking with each other, and we all think—well, we all know—that pre-sentence reports were provided. One cannot proceed to swift justice without getting the necessary information about the circumstances of the client and their family. I am sure that pre-sentence reports were, in fact, required by courts, and they can certainly be obtained at adequate length in the time available if one is moving briskly. Of course, all the sentences are open to appeal, and the situation and the consequences can all be looked at in the normal way that always follows a sentence involving someone with family responsibilities.

Criminal Justice System

16. **Sajid Javid** (Bromsgrove) (Con): What plans he has to improve the efficiency of the criminal justice system. [71322]

The Minister for Policing and Criminal Justice (Nick Herbert): We are taking forward a programme of work to tackle inefficiency, including by streamlining the administration of cases, extending digital working, and making greater use of video links. We will in due course bring to the House further proposals that will build on the effective response of the criminal justice system to recent public disorder.

Sajid Javid: Does the Minister agree with me that we can make better use of our magistrates courts?

Nick Herbert: Yes, I do, and we are looking to do precisely that, so my hon. Friend is right. It is noticeable, for instance, that more than half of defendants in either-way cases sentenced in the Crown court receive a sentence that could have been imposed by magistrates. The Government understand that the Sentencing Council is developing draft allocation guidelines to support magistrates in determining where cases should be heard, and we will consult on the draft guidelines in the autumn.

Kevin Brennan (Cardiff West) (Lab): In considering the efficiency of the criminal justice system, does the Minister know whether there has been any discussion in Cabinet about what the appropriate punishment is for drug-related offences involving class A substances, such as cocaine?

Nick Herbert: No.

Sentencing (Human Trafficking and Drugs Offences)

17. **Mr Peter Bone** (Wellingborough) (Con): How many prisoners are serving sentences for (a) human trafficking and (b) drug-related offences; and what the average length of sentence is in each case. [71323]

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Between 2006 and 2010, 109 people were sentenced for human trafficking offences, with an average determinate custodial sentence length of 50 months, and 254,980 people were sentenced for drug-related offences, with an average determinate custodial sentence length of 32 months. The average determinate custodial sentence length for trafficking for sexual exploitation was 50 months; in the case of trafficking for forced labour, it was 51 months, and in the case of drug trafficking, it was 73.5 months.

Mr Bone: I think that the House will agree that there is a bit of difference between the figures for human trafficking and for drug-related offences, yet the two crimes—human trafficking and drug offences—are very difficult for the victims. We should surely rebalance the criminal justice system to ensure that more traffickers are caught. I know that the Government have produced their human trafficking strategy, but there is a terrible imbalance at the moment.

Mr Blunt: I am grateful to my hon. Friend, and I thank him for his energetic chairmanship of the all-party group on human trafficking, and for continuing to bring the issues to my attention. Trafficking drugs and people are both extremely serious offences, and when people are caught—obviously, we want to make sure that they are, on every conceivable occasion—they should serve an appropriately serious tariff.

Mr Speaker: I am grateful to the Minister both for his succinctness and his control of his breathing, which was impressive.

Topical Questions

T1. [71331] **Bridget Phillipson** (Houghton and Sunderland South) (Lab): If he will make a statement on his departmental responsibilities.

The Lord Chancellor and Secretary of State for Justice (Mr Kenneth Clarke): I begin by making a topical statement, Mr Speaker, controlling my breathing carefully as I do. Last week, as well as announcing plans to allow cameras into courts, I outlined plans to open up the justice system by publishing unprecedented local data. We will publish data on court performance, sentencing and reoffending, and provide information on what happens next following a crime, alongside street-level crime data. That will allow people to see how the criminal justice system operates in their area. We will also encourage consistent publication of the names of offenders unlawfully at large; that will help in apprehending them and returning them to custody. Those measures will place the crime and justice sector at the forefront of the Government's policy on transparency.

Bridget Phillipson: We have seen real success across Sunderland in reducing reoffending year on year. Of course, more needs to be done to tackle that, but it has been put at risk by cuts to the local probation trust. Does the Lord Chancellor think that reoffending rates will be higher or lower by the end of this Parliament?

Mr Clarke: Criminal statistics are more reliable than they used to be, but I still do not have total confidence in them, and I would certainly never make forecasts with them because crime trends are very difficult to predict. However, I am glad that success has been achieved in Sunderland on reoffending, which we propose to make the prime focus of our policy: punish offenders effectively and, at the same time, try to stop them offending again.

T2. [71332] **Sajid Javid** (Bromsgrove) (Con): In Worcestershire, we have had persistent problems with Travellers who refuse to respect the law. My fellow MPs in the county have recently written to the Justice Secretary with some suggestions about that, and I know that he is considering them. Does he agree that we should help Travellers to preserve their way of life—their travelling way of life—by moving them on?

Mr Clarke: This is a difficult subject, and it certainly needs to be looked at all the time. I agree: my experience in my part of the world is that many Travellers do not travel as frequently as they are supposed to, and they are fond of occupying vacant land and building houses on it, while still describing themselves as Travellers. The subject is more complex than that, and if we can make any improvements to the law that protect the legitimate interests of society as a whole, we will certainly do so.

Helen Goodman (Bishop Auckland) (Lab): Last week, the Under-Secretary of State for Justice, the hon. Member for Huntingdon (Mr Djanogly), defended the Government's narrow definition of domestic violence in the Legal Aid, Sentencing and Punishment of Offenders Bill with these words:

> "We are concerned that to include admission to a refuge in the criteria would be to rely on self-reporting...We are not persuaded that medical professionals would be best placed to assess whether domestic violence has occurred. Although they may witness injuries...nor would the fact of a police investigation without more evidence provide sufficient evidence".—[*Official Report, Legal Aid, Sentencing and Punishment of Offenders Public Bill Committee,* 6 September 2011; c. 359-60.]

Women in this country will be appalled by those remarks. Would the Under-Secretary like to take them back, and also change his definition in the Bill?

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): It is not a question of taking them back; it is a question of making them in a very transparent way in our consultation. Having looked at the consultation, we came back and reassessed the definition of domestic violence, broadened what is included, and we are prepared to debate it in Committee. That is the process that is under way, and the Government stand by that.

T4. [71334] **Elizabeth Truss** (South West Norfolk) (Con): I fully support the plans to introduce television cameras in courts to improve transparency. What plans are there to improve transparency in the Prison Service so that we can see exactly what work and activity have been undertaken in each prison so that justice can be seen to be done?

Mr Kenneth Clarke: We intend to apply exactly the same policy in all sensible ways to the prison system generally as far as is practicable. We publish more figures all the time about reoffending rates and we will certainly be open about our success in extending the policy of providing more worthwhile working opportunities for prisoners, because getting them back into the habit of work is one way of getting them to live as responsible citizens in a normal society.

T3. [71333] **Barbara Keeley** (Worsley and Eccles South) (Lab): Using a restricted definition of domestic violence, as discussed a moment ago, will penalise victims of domestic violence, many of whom suffer for long periods before they begin to report incidents to the police. Will the Minister, given that he appears to be in some difficulty over this, consider meeting organisations working on domestic violence to work out how to make that definition work?

Mr Djanogly: I have met organisations and we have consulted on the issue. I am always prepared to meet organisations. I have to tell the hon. Lady that the key issue is having tests that are objective, and that is what we are trying to achieve.

T6. [71336] **Laura Sandys** (South Thanet) (Con): Does the Minister agree that it is a scandal that so many drugs are swilling around prisons? It is crucial that we ensure that those who arrive in prison clean do not leave as addicts.

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): I completely agree with my hon. Friend. Some 55% of those entering prison have been reported to have a serious drug problem, and 64% in a recent survey had used drugs in the previous month, which gives a sense of the scale of the problem. My hon. Friend is absolutely right: we must use all means possible, in a multi-faceted way, to address the problem, and provide safe places in prison, at the very least, for those attempting to recover from drug addiction, which is why we are beginning to develop drug recovery wings.

T5. [71335] **Julie Hilling** (Bolton West) (Lab): There are 66 people in Bolton and more than 10,000 across the UK who are still driving with more than 12 points on their driving licence. Many are repeat offenders of the offences of speeding and driving without insurance and have more than 20 points. Is there a problem with the legislation or are judges being too lenient? Will the Secretary of State investigate?

Mr Kenneth Clarke: I think the answer is that we will investigate. I am grateful to the hon. Lady for the figures. They sound astonishing, so I look forward to her providing me with sufficient details for myself and my ministerial team to find out what lies behind them.

T9. [71339] **Stephen Barclay** (North East Cambridgeshire) (Con): The building that formerly housed Wisbech magistrates court is owned by the Ministry of Justice and is in a prime site next to the historic port in Wisbech and a couple of yards from a conference centre. Will my hon. Friend the Minister meet me to discuss how we best use the site for regeneration so that it does not get locked in the stalemate that there has been with the police service locally?

Mr Djanogly: I will meet my hon. Friend. The court closed in April this year and Her Majesty's Courts and Tribunals Service is progressing the disposal of the courthouse. As part of that process it is due to meet officials from both Cambridgeshire district council and Fenland district council later this month.

T7. [71337] **Angela Smith** (Penistone and Stocksbridge) (Lab): In the aftermath of the riots that so rocked the country last month, what lessons does the Justice Secretary think can be learned about the need to respond swiftly to public outrage at the actions of a lawless minority, balanced with the need to deliver justice?

Mr Kenneth Clarke: We obviously have to study the events closely, looking for any lessons we can learn from recent experience. More and more facts will come to light, upon which we can base firm conclusions. The question that the hon. Lady raises about the rapidity of the response in the early days to the first threats to public order and to citizens is not primarily for my Department, but I know that the Home Office is taking it extremely seriously. It is easy with hindsight to criticise operational decisions. What is important is looking to see how we can improve the response in the future.

Miss Anne McIntosh (Thirsk and Malton) (Con): Is it not bizarre that many Travellers originate in Ireland? The Irish Government changed their law, so now the Travellers have moved to England. In his review, will the Justice Secretary learn from how the Human Rights Act in Ireland does not prevent Travellers from being moved on?

Mr Clarke: I agree that there is a problem. Let us be clear. Travellers, like anybody else, are entitled to the protection of the law and are also subject to the law. We have to deal with Travellers on the basis of how they behave, not start going against them as a class. But we have to look at how the operation of the law at present is enabling people to lead a somewhat odd way of life which is totally at variance with that which is led by the rest of the population, and to seek to disregard laws to which everybody else is subject. I am not sure that the Human Rights Act and human rights legislation generally is terribly relevant, but if it gets drawn in, we will look and see what it can do to help with the case.

T8. [71338] **Bill Esterson** (Sefton Central) (Lab): The Government cancelled the building of the Maghull prison after work had already started. Will the Lord Chancellor take this opportunity to tell my constituents what plans he has for the site, to allay their concerns about the Maghull prison site and nearby greenfield projects, which developers are eyeing up?

Mr Blunt: I am grateful for that detailed question from the hon. Gentleman. I will write to him with a full answer.

Mrs Helen Grant (Maidstone and The Weald) (Con): Does the Minister agree that prison is not the right place for women who pose no risk to the public, and that robust community sentences would be a much better option?

Mr Kenneth Clarke: It depends on what they have done for which they have to be punished. I do not think that prison is the right place for people who pose no risk to the public, but if they have done something heinous, they have to be punished in a way that the public regard as proportionate to the crime. We are paying considerable attention to the problem of women in prisons. There are too many. The combination of problems is sometimes quite specific, and in many cases there are multiple problems. Anything that can sensibly be done to improve the way we handle women prisoners, with proper regard to punishment and the protection of the public, we will do.

T10. [71340] **Gregg McClymont** (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): Further to the question raised by the hon. Member for Brighton, Pavilion (Caroline Lucas), without legal aid or Government financial backing for the fee arrangements, how can we ensure that overseas victims of alleged human rights abuses by UK multinational companies get justice?

Mr Clarke: They have the jurisdiction. Britain entertains these personal injuries cases, these actions in tort, against multinational companies that have an adequate presence here in a perfectly open way, but it is still necessary for the costs of a case to be proportionate to the claim. We do not want people coming here and bringing their cases in British courts because the costs available to the lawyers greatly exceed those which could be attained by bringing similar cases in other jurisdictions.

George Eustice (Camborne and Redruth) (Con): Does the Secretary of State agree that we need to do more to curb the compensation culture in this country and that one way of doing so would be to ensure that plaintiffs incur some form of financial risk in bringing their case so that they focus their minds on the merits of their case?

Mr Clarke: I am glad to say that I agree with my hon. Friend's every word. There is a compensation culture. We are taking practical steps to get it back to common sense.

Meg Munn (Sheffield, Heeley) (Lab/Co-op): The Secretary of State has stated his commitment to rehabilitation as a priority. Probation officers are key to this. They often need highly developed skills, particularly when working with violent offenders and sex offenders. Is he committed not only to maintaining levels of funding for probation officers, but increasing it in order to continue the downward trend in crime that continued under a Labour Government?

Mr Blunt: As the hon. Lady very well knows, we are having to manage a 23% reduction in our budget over the next four years in order to make the Ministry of Justice's contribution to rescuing the nation's finances. Sadly, probation services, like other elements, are not exempt from this. However, for the reasons she has given, they have been relatively protected under the spending review. We will of course continue to look for all available efficiency savings wherever we can, but the output of probation is very important.

Alun Cairns (Vale of Glamorgan) (Con): An appeal to the special educational needs and disability tribunal listed today will not be heard until late February 2012. Does the Minister agree that that is wholly unacceptable and that a much quicker process is needed in order to resolve some of the cases relating to special needs?

Mr Djanogly: If my hon. Friend would like to write to me, I will look into that.

Ian Paisley (North Antrim) (DUP): Can the Secretary of State inform the House what efforts he is making to ensure that sentencing policy and practice is consistent across all parts of the United Kingdom for rioters, and that rioters in Rasharkin and Belfast who try to kill police officers and damage property will face the same swift, certain and good judgment faced by rioters in England?

Mr Kenneth Clarke: I realise that our fellow citizens in Ulster have unfortunately had just as much experience of rioting as some of our British cities have. Among the many things that we must look at when we get the full facts about the very good response of our courts and criminal justice system to the recent English riots is how it compares with the experience in Northern Ireland. I agree with the hon. Gentleman that there should be some general consistency of approach, with swift and firm justice, particularly when rioting is taking place, because it stops people imitating it and lessens the likelihood that the disorder will spread.

Tom Brake (Carshalton and Wallington) (LD): On the subject of payment by results, what guarantee can Ministers give that small providers will win some contracts and that small and large providers will have to make information about their performance publicly available?

Mr Blunt: Of course, anyone who is going to deliver payment by results would be crazy not to engage the voluntary and charitable sector as part of their delivery mechanism. Some of those charities will not have the resources to be able to underwrite payment-by-results schemes, but the prime provider would be mad not to engage those services.

John McDonnell (Hayes and Harlington) (Lab): The Government are currently consulting on the criminalisation of squatting. Has the Secretary of State seen the report "The Hidden Truth about Homelessness", produced by the housing charity Crisis, which reveals that 39% of vulnerable homeless people have at some stage resorted to squatting to find a roof over their heads, and has he made an assessment of how the proposals he is putting forward will affect homeless people?

Mr Blunt: The consultation will end on 5 October, and I will of course be looking at all the reports and responses to it, including the one from Crisis.

Philip Davies (Shipley) (Con): The Secretary of State was good enough to accept on Second Reading of the Legal Aid, Sentencing and Punishment of Offenders Bill that people who served indeterminate sentences for public protection had a very low reoffending rate, despite the fact that 29% of them have more than 15 convictions. Given that people with indeterminate sentences are in prison for manslaughter, other homicide, rape, robbery, arson and other violent crimes, why does he want to let them out?

Mr Kenneth Clarke: I made some cautious remarks a little earlier about criminal justice statistics. There is a very small number of people on indeterminate sentences who have ever been released, and I am very glad that there has been a low level of reoffending.

We are committed to ending that system. We have 3,500 people who have finished their normal sentence—that is, the tariff—and are unable to satisfy the Parole Board that they can be released, but we are looking at all those cases to find the best possible way of ensuring that the bulk of them do not reoffend. Some of them always will, however, and we cannot avoid that.

Mr David Hanson (Delyn) (Lab): On the question of compensation for overseas terrorism, will the Secretary of State confirm that any scheme eventually brought in will apply from 18 January 2010, as originally proposed by the previous Labour Government?

Mr Clarke: I do not want to trail parts of the announcement that we will make when we are able to start the consultation, but I do remember very clearly that that was the commitment upon which everybody has been firmly proceeding.

Several hon. Members *rose—*

Mr Speaker: Order. I do apologise to colleagues whom I have not been able to accommodate. I could listen to the Secretary of State all day—and indeed all night for that matter. An additional session should be put on precisely perhaps for that purpose, but today I am afraid that we must move on.

Points of Order

3.35 pm

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. I am not sure whether I concur with your last remarks, but I am sure that since noon on Monday you have been considering your own boundary recommendations, as indeed have many other English Members of Parliament. Unfortunately, at the moment it is impossible to go to the Vote Office and get copies of the boundary recommendations for the whole United Kingdom. In fact, in the House of Lords they are not available at all. Can I suggest to you that it might be a good idea if the draft recommendations were available in the Vote Office, so that the whole of this House might consider them, come to a firm view—and, I hope, reject them?

Mr Speaker: The hon. Gentleman asks whether he can suggest that. He can, he has done. I do listen, I have listened on this occasion, and he is proving himself, as ever, the candid friend. I will make inquiries into the matter and try to ensure that satisfaction is provided. That would be a very happy state of affairs.

Jack Dromey (Birmingham, Erdington) (Lab): On a point of order, Mr Speaker. The Government have now made a number of misleading statements about their increasingly chaotic planning reforms. Last week the Minister of State, Department for Communities and Local Government, the right hon. Member for Tunbridge Wells (Greg Clark) told Parliament that the previous Government's successful "brownfield first" policy, whereby previously developed land was to be prioritised before building on greenfield land was considered, had been retained. The Government's own impact assessment in the national planning policy framework, however, makes it clear that the brownfield first presumption has been abolished. In addition, the Minister has been describing the policy as a "national ban", when he knows that it is nothing of the kind. Has the right hon. Gentleman indicated his intention to come before the House to put right his misleading statements, and to explain to the House why priority is not once again being given to using brownfield land, of which there is enough to build 1.2 million homes on?

Mr Speaker: I am sorry to disappoint the hon. Gentleman, but the Minister in question has given no such indication. That said, I am grateful to the hon. Member for Birmingham, Erdington (Jack Dromey) for notice of his point of order. I am always concerned that the House should be given accurate information. I hope that he and the House will understand that it is not really for the Speaker to compare the accuracy of remarks inside the House with that of those made outside, let alone to offer an assessment of the relative merits or accuracy of comments that might appear on websites. I am sure that the hon. Gentleman, who is nothing if not the proverbial woodpecker in these matters, will seek advice from the Table Office on the ways in which he can pursue his concerns.

If there are no further points of order, we come to the ten-minute rule Bill, for which the right hon. Member for Blackburn (Mr Straw) has been patiently waiting.

Motor Insurance Regulation

Motion for leave to bring in a Bill (Standing Order No. 23)

3.39 pm

Mr Jack Straw (Blackburn) (Lab): I beg to move,

That leave be given to bring in a Bill to reform the regulation and operation of the market in motor insurance; and specifically, to ban the payment of referral fees; to establish new standards relating to the evidence required and damages payable for whiplash; to reform the Pre-Action Protocol for Personal Injury Claims in Road Traffic Accidents; to set requirements in respect of risk pricing for personal injury claims; and for connected purposes.

The last time I had a ten-minute rule Bill was as a young and callow Back Bencher—

Sadiq Khan (Tooting) (Lab): You still are, Jack.

Mr Straw: Thank you.

That was in April 1980, with my Police Authorities (Powers) Bill. Successive Home Secretaries were unpersuaded by the merits of my proposals until a new Home Secretary took over 17 years later, in May 1997, and progressively implemented most of the Bill.

The contrast between the fate of that first Bill and the fate of the Bill before the House today could not be more stark. Even before I had had this opportunity to move it, the Government announced last Friday that they were accepting one of the fundamental propositions of the Bill—the abolition of referral fees. The problems in the insurance market are, let me say, not of this Government's making. As I have already expressed during Question Time, I am very grateful to the Justice Secretary and his Ministers for recognising the need for change, and to the backers of this Bill from across the House in giving momentum to the campaign that I have been mounting. Although there has been that welcome announcement by the Government, which will implement a key recommendation of the Jackson report, there are other necessary reforms that my Bill covers and which I hope the Government will also adopt.

First, let me spell out the concerns that exist in all parties about the wholly unacceptable state of the motor insurance market. In the past year alone there has been a 40% increase in the average premiums paid by Britain's motorists to insure their cars. Young drivers face premiums of £2,500 or more, even if they can find underwriters to cover their risk. Older drivers with impeccable records who live in certain urban areas have been especially hard hit.

The principal factor behind these rocketing premiums has been an extraordinary increase in the number and value of claims for personal injuries—but this increase in personal injury claims has in no sense been caused by any commensurate increase in the number of accidents leading to such injuries. Indeed, the number of accidents has been going down, not up. Britain's roads, long among the safest in the world, have been getting safer still, with fewer accidents and, where accidents do occur, fewer serious injuries. Those improvements have been paralleled by a dramatic drop in the number of thefts of and from vehicles.

Instead, the increase in claims has been artificially generated by a new industry, unheard of 20 years ago—a "claims industry"—with, I am afraid, the complicity of the insurance companies themselves. Claims management

[Mr Straw]

companies, personal injury lawyers, credit hire companies and repair and recovery firms have built a lucrative and self-serving merry-go-round in which the personal information of anyone involved in any collision with another vehicle, no matter how trivial its effects, is traded like a commodity, typically for £600 to £800 a shot, with the aim of pursuing a claim—any claim—provided that it brings rich rewards to all those involved in this industry.

Some police and NHS employees have been unlawfully engaged in this trade. Some police authorities have officially been charging recovery firms to pass on information about drivers and vehicles involved in accidents; one such made over £1.3 million in two years. I can also tell the House that some NHS acute trusts have been making money from this so-called industry, charging ambulance-chasing lawyers to advertise their services to patients waiting in accident and emergency departments. I have here data which show that since 2006, in aggregate, 70 NHS acute trusts have received £2 million in this way. As the Information Commissioner, Mr Christopher Graham, told the Justice Committee this morning, data protection and telecommunication laws are routinely broken by this claims industry as firms cold call, harass and browbeat individuals whose details they have purchased into pursuing claims.

Often such claims are for whiplash, which is not so much an injury, more a profitable invention of the human imagination—undiagnosable except by third-rate doctors in the pay of the claims management companies or personal injury lawyers. Whiplash now accounts for 80% of all personal injury claims, adding about £66 to every premium. Latest figures suggest that 1,200 claims for whiplash are now made in the United Kingdom each day. The bait of £3,500 in compensation for no discernible injury and sometimes for no accident at all, which features so prominently in the text messages, telephone calls and high-pressure advertising, characterises this extensive and grubby industry.

Driving out the parasitic practitioners and cleaning up the motor insurance system will be complex and will take time. I suggest to the House that my Bill would make an important start. Clause 1 would make it unlawful to solicit, offer or pay a referral fee relating to a personal injury road traffic claim, although I would like to see that extended across the piece. Breach would be a criminal offence. That, in my view, is the only way to stamp out this unethical and unwholesome practice. I was pleased to hear earlier from the Lord Chancellor that he accepts that view.

Clause 2 deals with whiplash. Some jurisdictions abroad restrict the payment of damages for whiplash to claims where there is clear objective evidence that real injury has been suffered. Clause 2 provides for the need for such objective evidence. No one who has genuinely suffered an injury would be in any way disadvantaged by the provisions in the Bill.

In my Blackburn constituency, and in many other constituencies, there are law firms with banners outside their offices promising £650 in cash in return for any new personal injury claim. They can make those promises and pay out because the flat fee that insurers pay the lawyers for claims below £10,000 has been set too high. Such claims are now processed through an electronic portal, which costs the law firm no more than £100 in staff time to operate. The flat fee is £1,200, so even if a firm pays a £650 introduction fee it can make exorbitant profits. Clause 3 would cut the fee in half.

I will now deal with the fourth provision in the Bill. Honest law-abiding drivers in my constituency, and in many similar urban areas, especially in the north and the midlands, have faced even higher increases in premiums than most drivers, despite their impeccable driving records and inherent low risk of a future claim. That is because of postcode discrimination by insurers. Such practices do not harm those involved in the rackets, but they do harm entirely innocent people. Clause 4 would prohibit insurers from isolating the level of risk arising from personal injury claims in an area smaller than Wales, or a standard English region.

There are other measures that need to be taken alongside this Bill. There is already provision on the statute book for tougher custodial sentences for selling and trading in data contrary to section 55 of the Data Protection Act 1998. Those provisions, in the Criminal Justice and Immigration Act 2008, should be brought into force without delay. The prosecuting authorities should consider whether criminal proceedings under the Bribery Act 2010 should be instituted against some of the worst abuses, as the Bar Council has suggested. All the regulators—not just the Information Commissioner who, commendably, is seeking to do so—must toughen up their approach.

The changes in my Bill would make a significant difference for Britain's hard-pressed motorists. The insurance companies would have to start stabilising their premiums and, as their costs came down, would have to reduce their premiums. I commend the Bill to the House.

Question put and agreed to.

Ordered,

That Mr Jack Straw, Sir Alan Beith, Sir Peter Bottomley, Steve McCabe, Graham Jones, Penny Mordaunt and Mr David Ward present the Bill.

Mr Jack Straw accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 20 January 2012, and to be printed (Bill 229).

Opposition Day

[20TH ALLOTTED DAY]

Opportunities for the Next Generation

3.49 pm

Mr John Denham (Southampton, Itchen) (Lab): I beg to move,

That this House believes that young people face a more uncertain future which may not offer the increased opportunities and prosperity enjoyed by their parents and their grandparents; notes that, following the Government's decision to cut public spending too far and too fast, it has targeted young people with cuts, resulting in nearly one million young people not in education, employment or training; further notes with concern that there were no university places for around 100,000 applicants this year, that tuition fees are trebling, university places will be cut next year and many universities will lose popular courses; highlights that the proportion of apprenticeship places for 16 to 18 year olds has decreased by 11 per cent., new apprenticeships are providing mainly short-term training for older workers, the Future Jobs Fund has been scrapped, the apprenticeship guarantee abandoned, Education Maintenance Allowance ended, homelessness has risen and homebuilding is at a 90-year low; believes the Government must take action to secure business growth to create opportunities for young people; resolves that the Government should repeat the bank bonus levy to create over 100,000 jobs through a youth jobs fund, to build 25,000 affordable homes and to support business through increased funding for the Regional Growth Fund; calls on the Government to expand apprenticeships for young people and to ensure that public sector contractors offer apprenticeships; and further calls on the Government to enact a temporary VAT cut to boost consumer spending, business confidence and support the UK's high streets.

The motion is in my name and those of my right hon. Friend the Member for Leigh (Andy Burnham) and others. I thank the Minister for Further Education, Skills and Lifelong Learning, who has given his apologies for his absence this afternoon, which is for understandable reasons. I see that the Secretary of State for Business, Innovation and Skills is not here to answer the debate; he seems to be curiously reluctant to answer when I introduce Opposition day debates, but no doubt he is trying to work out how to be selected as the coalition candidate for Richmond at the next election.

We British people have always been confident that each new generation will do better than their parents and their grandparents. There have been wars and economic crises, and individual families have had their ups and downs, but what my right hon. Friend the leader of the Labour party calls "the promise of Britain" has held true. Parents have been able to say, "Our children have had more opportunities, a better education and a higher standard of living than we had."

However, Members on both sides of the House will know that confidence in that British promise has never been more shaky, knowing that the average age of a first-time buyer is approaching 40, and that there are 1 million young people not in employment, education or training. At the same time, we have all heard young people asking whether the cost of a degree is worth it, and what the alternative would be. We have all heard parents asking how this country will pay its way in a fiercely competitive world, and what young people will do. Only a quarter of parents and grandparents questioned by YouGov believed that their young would be better off than they were.

Today, the Opposition are asking the House to focus on things that the Government should and should not have done, but let us be clear: the challenges did not suddenly emerge from a blue sky at the last election. The Minister for Universities and Science advocates the view that over decades, the older generation has in some way stolen the future from young people, and that we have so rigged the rules of the game throughout our lives that the young have only half a chance—I apologise if I paraphrase cruelly. We hear similar views across the political spectrum. Whether or not we share them—I have very strong reservations—it is clear that the generation now in power has a huge responsibility to young people, and that the changes that are needed in our economy and society are profound. Those changes will take leadership, which Labour will offer, over many years.

However, I would not be doing young people any favours if I pretended that it was only in the past year that everything had gone wrong.

Mr John Redwood (Wokingham) (Con): In his motion, the right hon. Gentleman states that one problem is that the Government have cut

"too far and too fast",

but in their first year they increased spending by 5.3%, or £32 billion, and every extra pound that they spent was, of course, borrowed. How much extra would he have wanted to spend?

Mr Denham: We know that the Government aim to cut sufficiently fast to eliminate the deficit in four years. Our judgment was that the right balance between dealing with the deficit and sustaining jobs and growth would be to halve the deficit over a similar period. That allows us to say not that there would never be any cuts in public expenditure, but that there would be a very different trajectory to public spending. For reasons that I will give, that difference of choice would have made a big difference to the young people of this country.

I have acknowledged that some of the problems are deep-seated and long-term, but today's Opposition day debates focus critical attention on the Government's actions. The charge is clear: the Government's economic policy has directly made the lives and prospects of young people worse. They have not hit young people along with everyone else; they have chosen—I think "chosen" is the right word—to single out young people and to make their lives and prospects worse.

Alok Sharma (Reading West) (Con): Yesterday the shadow Chancellor came to the House and, for the first time in 15 months, apologised for Labour's mistakes. Are we going to have an apology from the right hon. Gentleman today for the fact that social mobility has fallen and attainment in schools has declined by international standards? By just about every measure, young people suffered under the Labour Government.

Mr Denham: We will have the opportunity in a few moments to see whether that last claim is accurate, although I think that the hon. Gentleman might be disappointed. On the question of apologies, though, we did not hear yesterday an apology from the Conservative party for urging the Labour Government to deregulate further and faster in the financial services sector. The right hon. Member for Wokingham (Mr Redwood) was

[Mr Denham]

one of those producing Conservative party policy documents in that vein. I think that we should hear a little honesty from the governing party.

Mr Redwood: Will the right hon. Gentleman give way?

Mr Denham: I will have to give way on that point.

Mr Redwood: As the right hon. Gentleman should know by now, the report that I co-authored stated clearly that the Government needed to regulate the cash and capital of the banks more strongly than they did. Had they done that, they would have been in a much better place.

Mr Denham: But the problem did not come from the cash or the capital; it came from the complex financial instruments that were not being properly regulated, as we discussed yesterday. However, I am trying your patience, Mr Speaker, so perhaps I should make some progress.

The Government have chosen to single out young people and make their lives and prospects worse. In June I visited the Bombardier factory in Derby and talked to three young apprentices. I asked them how they saw their future in the company. "To go as far as we can," said one. Mr Colin Walton, the chief executive officer, used to be an apprentice. That is what the promise of Britain was all about: if someone wanted to get on, they could. We all know what happened, though. The Government missed the chance to reopen the Thameslink contract, despite the many changed circumstances. It was a disastrous failure of will and responsibility, and the dreams of those apprentices now hang by a thread.

The decision to tackle the deficit by cutting spending too far and too fast has had predictable results. The economy was growing a year ago, but today it is choking.

Mr David Evennett (Bexleyheath and Crayford) (Con) *rose—*

Mr Denham: And the hon. Gentleman will explain why.

Mr Evennett: I will if I get an opportunity to speak later, Mr Speaker. I always listen to the right hon. Gentleman with great interest, but he is rewriting the history of the Labour Government of which he was a member. The present Government have increased the number of apprenticeships dramatically. I would like to refresh his memory: in May 1997 there were 664,000 unemployed 16 to 24-year-olds, but that had increased to 924,000 by May 2010. Is that not an indictment of the failure of the Labour Government of which he was a member to manage affairs and to help young people and apprentices to get the jobs that they needed?

Mr Denham: I will deal directly with both those issues in due course, if the hon. Gentleman will have patience.

Every family is suffering, but young people are paying a particularly heavy price. Young people in Britain today are not accidental victims of the cuts; what is happening to them is not some collateral damage of Treasury policy. When the Government drew up plans to cut spending too far and too fast, they decided to target young people, and they did it recklessly and without thought or heeding the evidence. They ended education maintenance awards without understanding how important they were. As the Education Committee wrote:

> "The Government should have done more to acknowledge the combined impact on students' participation, attainment and retention, particularly amongst disadvantaged sub-groups, before determining how to restructure financial support."

They got that wrong, and young people who want to stay on will suffer.

Advice and guidance to young people is essential. The Government are wrecking the careers services—but that is the subject of the second debate today. Labour's future jobs fund had a simple aim: to prevent a destructive rise in long-term youth unemployment during the recession. All unemployment hurts, but long-term youth unemployment has the longest, most corrosive effect on its victims. And the future jobs fund worked. When it started, the number of those not in employment, education or training fell by more than 200,000. The current Prime Minister praised it when in opposition, but after the election it was scrapped, and nothing effective has taken its place. In the past year, the number of NEETs rose by more than 100,000, with 119,000 19 to 24-year-olds not doing anything productive.

Robert Halfon (Harlow) (Con): Will the right hon. Gentleman acknowledge that, although there were 90,000 starts under the future jobs fund between October 2009 and January 2011, the analysis of the Department for Work and Pensions from March this year shows that half the young people involved were back on the dole just seven months later?

Mr Denham: I am proud of the effectiveness of my Government's policies in tackling long-term youth unemployment. The experience of having nothing to do has a lasting effect on people's careers, incomes and aspirations up to 20 years after the event, and we succeeded in tackling that throughout our period in office from 1997. The reality is that that this Government have scrapped the future jobs fund and, far from introducing anything better, have put nothing effective in its place. The effects of that on young people are all too clear.

Stella Creasy (Walthamstow) (Lab/Co-op): Does my right hon. Friend agree that the Government's contempt for young people is illustrated by the fact that the Work and Pensions Select Committee has pointed out the lack of evidence for the decision to scrap the future jobs fund and called into question the value for money of the decision? The Government did not know what they were doing to our young people.

Mr Denham: My hon. Friend is absolutely right. The truth is that it was more important for this arrogant Government to scrap something because it was a Labour scheme than to look at whether it was working not. But it is not the Labour party that has paid the price; it is young people up and down the country.

Ian Paisley (North Antrim) (DUP): Does the right hon. Gentleman accept that the scrapping of the education maintenance allowance, the apprenticeships fund and the future jobs fund is having a more pronounced effect

in the regions of the United Kingdom? In my constituency, for example, 19,000 young people aged 16 and above do not have employment. Does he accept that this loss of benefits and opportunities is having a much more pronounced effect there than it is having even here in England?

Mr Denham: The hon. Gentleman speaks with great authority about his constituency.

It is a tragedy that the importance that was attached to young people and to avoiding long-term unemployment, from the new deal onwards, has disappeared under this Government. Too many people are being pushed to the edges of the labour market, where there are too few opportunities for them. Many parents, and young people, want apprenticeships. Labour rescued and rebuilt apprenticeships. There were fewer than 70,000 a year when we took office, but the figure had increased to nearly 280,000 in the last year of the Labour Government, and those apprenticeships were more credible and successful than those that had gone before. Again, however, the new Government were keener to rubbish our record than to get their own plans right.

I have to say that, on paper, it is hard to fault the ambitions that the new Government set out: now, however, the truth is coming through. The great growth in apprenticeships has turned out to involve short-term training courses for adults. There is nothing wrong with training adults, but it is certainly not what most people think of as an apprenticeship, and it certainly does not provide new opportunities for young people. The proportion of apprenticeships for 16 to 18-year-olds has actually fallen. We need, but are not getting, longer apprenticeships in high-end technical subjects that are necessary to spur growth; we need electrical, mechanical and construction apprenticeships.

James Morris (Halesowen and Rowley Regis) (Con): I visited a forging business in Cradley Heath in my constituency on Friday. For the first time in five years, it has taken on an apprentice from a local college. It is offering a high-quality, high-tech apprenticeship to that young person, who will be able to develop the skills to get a high value-added job in the future. That is what is happening as a result of Government policy.

Mr Denham: I applaud that company and those apprenticeships. That is a story that is being repeated in my constituency, but it was being repeated three or four years ago as well. The myth is that the situation has been transformed overnight. We are presented with some impressive headline statistics, but close analysis suggests that we are not getting an expansion of the high-quality opportunities that our young people and the economy need.

If the Government really had confidence in what they were doing, they would not have scrapped Labour's guarantee of an apprenticeship for every qualified school leaver. They have also refused to require Government contractors to provide apprenticeships. In the past, that guarantee meant that investment in social housing also involved investment in training young construction workers. The Minister for Housing and Local Government described that policy as "ridiculous" and "counter-productive", while the Minister for the Cabinet Office said that it "wouldn't be appropriate".

Geraint Davies (Swansea West) (Lab/Co-op): Does my right hon. Friend agree that the key choice in cutting the deficit is the balance between growth and cuts? If the cuts reduce our capacity to grow, as do the cuts to the future jobs fund and in proper apprenticeships, they will be completely counter-productive and economically illiterate.

Mr Denham: My hon. Friend is absolutely right, but there is a further point. The refusal to link Government procurement to the provision of apprenticeships has nothing to do with the deficit. It is wrong policy. The Government could take that action whatever their deficit reduction strategy, but they refuse to do so. It is not just about the deficit; it is about missed opportunities.

I am pleased to say that after what could be called a cock-up—I hope it is not an unparliamentary term—by the Government Whips, Labour's call for green apprenticeships is now in the Energy Bill, and it looks as though it will stay there. One bit of Government will be doing the right thing, thanks to Labour, but more than £200 billion of public procurement—taxpayers' money—could be working harder by providing apprenticeships.

Mr Stewart Jackson (Peterborough) (Con): The shadow Chancellor apologised yesterday for some aspects of Labour policy, so will the right hon. Gentleman take the opportunity to apologise for the previous Government reckless immigration policy, whereby people were imported into low-skill and low-wage jobs, pushing many thousands of unskilled youngsters into welfare dependency?

Mr Denham: I was very pleased that we ended unskilled immigration from outside the EU and introduced a points-based migration system. I think the real issue now is the damage being done in higher and further education, for example, to the country's economic prospects by restricting universities' ability to offer courses that attract high-paying overseas students.

The point I was making a few moments ago was that the failures in apprenticeship policy have nothing to do with deficit reduction. They were calculated decisions that harmed young people, as, indeed, did the decision to let fees treble. That is why too many students and parents are now asking whether it is still worth going to university. That policy was not required by deficit reduction. If higher education had been cut in line with other public services, fees would have risen to less than £4,000 a year. This summer, more than 100,000 determined, hard-working and qualified students could not get a university place. The first action of the new Government was to stop 10,000 new places Labour had planned for last September. Another 10,000 places will go next year. Teaching and nursing places, too, will be cut. If the students who missed out this year get a place next year, they will pay a £15,000 lifetime penalty for having missed out this year.

All this has happened because the Government lost control of fees, with most universities wanting to charge £9,000, so they are now introducing a bizarre auction to cut fees at the expense of quality. Those students who apply next year will find not only that they are paying higher fees and that fewer places are available, but that many of the popular courses they thought about getting on to this year do not even exist. Over the next three

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years, 60,000 places will be taken from popular courses and popular universities and given to cheaper providers—irrespective of whether students want to study them.

A degree is a good thing to get, but recent reports have highlighted the difficulties too many graduates experience in getting a job, particularly one that rewards their effort in today's sluggish economy. That is not because we have too many graduates, but because the economy is creating too few challenging, demanding and high-value posts. Instead of being plunged into the chaos of the last year and next, universities should have been given one priority—to play their full role in creating growth, getting their knowledge, research and skills into the businesses and companies of the future. That is what a Government with a single-minded focus on jobs and growth would have done, but it is where the Department for Business, Innovation and Skills, too, is failing young people and the country as a whole.

Toby Perkins (Chesterfield) (Lab): Does my right hon. Friend agree that it is perverse that, at the very time a generation of students are about to go to university and pay huge tuition fees, setting themselves up for decades of debt, they see people who made that choice three or four years ago leaving university with a degree, but no opportunities to move into?

Mr Denham: There is a huge responsibility on the Government to respond to my hon. Friend's challenge—to take the measures necessary, get growth going, create jobs and reshape our economy so that we can pay our way in the world in the future and make the full use of the talents of young people and, indeed, older people in this country. I say that because there will not be opportunities for young people unless we build an economy that can compete with the best in the world.

The truth is that we had to wait a year for a growth plan and it was so weak and useless that it is already being rewritten for October. When every taxpayer's pound needs to work as hard as it can to build a new economy for Britain, the Government's decision on Bombardier means that taxpayers' money will needlessly be spent abroad. When every pound of taxpayer's money needs to work hard to build the new economy, the Government are refusing to ensure that public sector contractors provide apprenticeships. When there is £200 billion-worth of infrastructure for the new economy that needs investment, the Government are dragging their feet. To see that, we need only look at the way they are doing broadband: slowly, in inefficient penny-package projects.

When we need the Government to be working with business to build the new economy, all we get is the tired mantra, "The less government does, the better." If we are to be the very best at the things we are good at—advanced manufacturing, creative industries, business services, pharmaceuticals and renewables—government has to work in partnership with business. It must do so: to understand what technologies and skills we need in the future, so that companies have confidence to invest; to set clear priorities and stick to them, so that companies have the certainty they need to invest; to look at what government buys and how we buy it, so that innovative companies can grow; to must make sure that good regulation lets good companies win new markets; and to build, in every region and nation, the universities, the skills, the banking services and the leadership in cities and regions that will let companies grow and create jobs.

Mr Denis MacShane (Rotherham) (Lab): Does my right hon. Friend think that the Secretary of State is absent from this debate because he realises that, despite his many university qualifications, he is about to lose his job because of the democracy reduction Bill that the Government have imposed and the fact that his constituency is about to disappear? Is it not symbolic that this Government reduce by 50 the number of MPs and in every sector of the economy they are reducing employment as we speak? Sadly, the Secretary of State himself is included in that, but he did vote for it, so what one reaps, one sows.

Mr Denham: I have already made a passing remark about the Secretary of State's role, but let me just say that I have tried to set out briefly the sort of lead we should be getting from the Department for Business, Innovation and Skills. Active, intelligent government working with business is what we need to transform the shape of our economy, but all we are getting is the same dogmatic argument: "Government should do less. It should do less in the regions, less in investment, less in research, less in working with business." Our young people will pay a heavy price for that.

Alok Sharma: The right hon. Gentleman is leaving the House with the impression that the Labour Government left this country with a golden legacy in dealing with businesses. Let me remind him that his party was talking about putting up corporation tax and was imposing such a level of regulation on businesses that they just could not cope, and that we were left with the most complex tax system in the world. Is that what he calls "government working with business"?

Mr Denham: We must remember the situation at the end of the previous Labour Government. It is no part of my case that we were a flawless Government with no imperfections. Indeed, I am one of those who has acknowledged already in this debate the need for change, and the Labour party will undertake that. Let me just tell the hon. Gentleman three things. First, there were 1.1 million more small businesses thriving in this country at the end of the Labour Government than there were at the beginning. Secondly, the OECD reckoned that this country was third in the world for ease of setting up a new business. Thirdly, almost alone of the western European countries, we enjoyed net foreign direct investment, because businesses around the world had the confidence to invest in Britain. Not everything was perfect, but that was not a bad record to show that we worked well with business.

What we need today is a plan B for the economy and a plan B for young people to begin to restore the promise of Britain. The Government must see that cutting too far and too fast means sacrificing the growth and jobs that make it easier to reduce the deficit. We need a temporary reduction in VAT until growth is re-established to put money in families' pockets and to boost shopping centres and jobs.

Yesterday, we saw long-term plans to restructure the banks, whose irresponsibility around the world caused so much harm, but nothing to tackle the immediate problems facing Britain. The Government should repeat the banking levy, raising £2 billion, and with the money they could reduce the damage done by ending the future jobs fund by establishing a £600 million youth jobs fund. The Government could get young people back to work by building 25,000 affordable houses. We could boost opportunities by investing in high-growth small businesses. When every taxpayer's pound needs to work as hard as it can, the Government should grasp the nettle and require public sector contractors to provide apprenticeships for young people.

For too long, this Conservative-led Government have blamed everything bad that has happened in this country on the unavoidable effects of deficit reduction. They are not just wrong about the pace of deficit reduction, however. Deficit reduction cannot be used as a systematic excuse for, in plain and simple terms, bad policy and missed opportunities. It will take more than this Government to restore the promise of Britain, but in the meantime they could at least stop making things worse.

4.16 pm

The Minister for Universities and Science (Mr David Willetts): Of course, the Government oppose the motion. I regret that we are depleted as a result of efficiency savings, but I should explain that the Secretary of State is battling for Britain and representing British business in Paris and, sadly, our colleague the Minister for Further Education, Skills and Lifelong Learning is recovering from a minor operation in hospital. I hope that satisfies the House on our position.

I assure the shadow Secretary of State that despite our disagreement with many of the assertions in his motion, we very much agree with the underlying principle of which he reminds us. There is an obligation on all our generation to ensure that the younger generation has better opportunities in life. One of people's most fundamental concerns is that opportunities for social mobility, getting started on the housing ladder and getting a good education should be at least as good for our kids as they have been for us. That is a principle that we absolutely endorse.

Opposition Members might be used to having rather embarrassing books passed under their noses—such as the memoirs of the right hon. Member for Edinburgh South West (Mr Darling)—but I have with me a book that need cause them no embarrassment: my book, "The Pinch", which is on precisely this subject. I strongly recommend it to the entire Opposition Front Bench team and they should each buy a copy—they are not allowed to share it.

We support the principle of which the motion reminds us and it is a challenge to which successive Governments have had to rise. No Government can claim that they have been able fully to rise to that challenge, and the right hon. Member for Southampton, Itchen (Mr Denham) is right to challenge the Government in the House today to recognise it, which we do, and to ask us what we are doing about it. Let me try to explain what we are doing.

Margot James (Stourbridge) (Con): My right hon. Friend is introducing our side of the argument with great generosity of spirit, but does he not agree that the tone of the motion encourages an extremely unhealthy sense of victimhood among our young people? I will not pre-empt his speech by giving a long list of all that the Government are doing for young people, but we are doing a great deal and I trust that the Minister will give full voice to all that.

Mr Willetts: My hon. Friend is absolutely right. The debate is an opportunity for me and all Government Members to set out very clearly what we are trying to do with more apprenticeship places, 80,000 work experience places, and a funding system for universities—however controversial—that has been set up on a reliable basis for the future that will enable us to maintain the number of places to students. That adds up to more education and training places in total for young people than ever before. We are also making bold reforms on schools through free schools and the pupil premium, which will help children from low-income families, as well as through the spread of the academies programme and the arrival of university technical colleges. Going beyond education, we are also making bold reforms on housing with the new affordable homes programme bringing 170,000 new affordable homes by 2015. That all adds up to a programme that is absolutely aimed at ensuring that young people get a fair deal.

Sheila Gilmore (Edinburgh East) (Lab): Will the Minister explain how properties at 80% of market value rent are affordable and how that links to his party's declared aim of reducing spending on housing benefit?

Mr Willetts: In our affordable homes programme we have set out arrangements whereby new providers will deliver extra homes for a given amount of rental income. We aim to generate and achieve more house building as a result.

Alison Seabeck (Plymouth, Moor View) (Lab): Will the Minister give way?

Mr Willetts: I want to make a tiny bit more progress.

Although we are doing those very important things on higher education, skills, schools and houses, the most important single way in which we can help the younger generation is by reducing the burden of Government debt that they will have to pay for. That is at the heart of our programme. Every time the previous Government introduced some unaffordable expenditure programme paid for not out of taxes but by issuing Government bonds lasting for 25 years, they were paying for public expenditure out of burdens being placed on tomorrow's younger generations. That is the fundamental moral failure behind the levels of debt that we inherited from the previous Labour Government.

Stella Creasy: I am pleased to hear the Minister talk about the importance of debt levels. Will he comment on the figures from the Office for Budget Responsibility that show that directly as a result of the Government's plans an extra £10,000 of personal debt has been loaded on to our hard-pressed households already in the past year?

Mr Willetts: Given what happened to personal debt under the previous Labour Government, about which my colleague the Secretary of State has been absolutely eloquent, I do not think that Labour can be taken seriously on this subject. We are still waiting for Labour to learn from its fundamental mistake of having uncosted public expenditure programmes and irresponsible and unfunded tax reductions, but it has not learned that lesson as we can see from the motion, which is an absolute example of that. It is full of extra public expenditure promises, it has a tax cut in it and, once again, as always with Labour, the figures do not add up.

Andrew Bridgen (North West Leicestershire) (Con): The Browne review estimated that if all new students from 2012 paid Labour's favoured 3% graduate tax, it would not provide sufficient revenue to fund higher education until the tax year 2041-42. Will the Minister estimate how much that would add to the record budget deficit left behind by the Labour party?

Mr Willetts: My hon. Friend is absolutely right that the graduate tax favoured by the Labour leader would make the fiscal crisis that we have inherited far worse. That is one of the many objections to the idea.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Will the Minister confirm that the Chancellor's own Office for Budget Responsibility has stated that the borrowing requirement will have to increase by £46 billion and that unemployment figures will increase by 200,000 as a result of the Chancellor's economic strategy?

Mr Willetts: I do not know which specific OBR forecast the hon. Gentleman refers to, but the OBR work I have seen makes it clear that although there are reductions in public sector employment, they are more than offset by increases in private sector employment. That is one of the many ways in which we are rebalancing the economy. We are now hearing claims to fiscal rectitude from the party that left us the largest structural deficit in the G7 and the largest level of borrowing in the developed world. Unless the Labour party gets serious about the importance of prudent management of the public finances, we simply will not take seriously its commitment to caring about the interests of future generations.

Mr Evennett: My right hon. Friend, as always, is correct in saying that it is essential to repair the economy to ensure a good future for all our young people, and that if we had an economy like the one left by the last Labour Government, that future would be bleak. The Wolf report on vocational education said that a significant proportion of the 14 to 19 cohort are being offered a less effective path into employment than their predecessors. Does my right hon. Friend agree that this Government's policies, particularly in respect of training and apprenticeships, will help to address that serious problem?

Mr Willetts: My hon. Friend is absolutely right, and I should have included Alison Wolf's excellent report on my list of the things that we were doing to try to offer a fairer deal for young people.

Geraint Davies: Does the Secretary of State agree that sovereign debt in Ireland, Iceland, Spain, Italy, Portugal and so on is much worse than that of Britain, and the reason is that Labour left 2 million more people in jobs in Britain than we inherited in 1997? The future of keeping deficits down is jobs and growth—not stupid cuts, like those he is pushing forward with.

Mr Willetts: The crucial difference between our economy and those that the hon. Gentleman listed is that our economy has the benefit of a credible package for bringing down the public deficit, as a result of which the markets have retained confidence in us. It is because of this Government's economic policies that we are not facing the same risks.

John Hemming (Birmingham, Yardley) (LD): Does it not surprise the Minister, as it surprises me, that the Opposition seem to be unconcerned about the rate of interest paid and the fact that, as a deficit goes up, the rate of interest goes up as well?

Mr Willetts: That is a very important point; indeed, I understand that with its latest debt issue the Bank of England has secured historically low—almost unprecedentedly low—interest rates, which is further evidence of the confidence that people have in our seriousness about tackling the deficit that we inherited from the previous Government.

I now want to make progress on some of the specific points in the motion that the shadow Secretary of State put before us. First, let me focus briefly on youth unemployment and those not in education, employment or training. Youth unemployment is a serious problem; it does need to be tackled, and of course we regret the fact that it now stands at 949,000, having been at 924,000 when we took office. However, as we have heard, when Labour took office it was at 664,000, and the rise in youth unemployment began long before the economic crisis hit.

The really serious question that parties on both sides of the House need to address is why, even during Labour's boom years, was youth unemployment already starting to rise. That tells us that it is a deep-seated trend, which tells us that something has gone seriously wrong with our education and training system—it was not meeting employers' needs.

Tom Blenkinsop: Will the Minister give way?

Mr Willetts: Just a minute; I want to make a bit more headway on this point.

There is a very similar pattern in numbers of NEETs. On the current data series starting in 2000, there were 655,000 NEETs in 2000, and when Labour left office there were 874,000. I have looked up the figures for two dates that may particularly strike the shadow Secretary of State's memory. When he arrived as Secretary of State in the Department for Innovation, Universities and Skills, there were 835,000 NEETs. During the following two years, until he left that post, he was remorselessly harried on those figures by his Opposition spokesman. By the time he left the post, the number of NEETs had risen to 954,000; we debated that many times in the House. We had an increase of 120,000 on his own watch as the Secretary of State responsible. Actually, he got out just in time: the quarter after he left, the number went over 1 million, to hit 1.74 million. I had hoped we

would hear a slightly more frank account from him of the lessons he learned about the difficulty of tackling the challenge of NEETs, drawing on his own experience.

The shadow Secretary of State went on to complain about our record, but I have to say that when in opposition we warned about Train to Gain, which we said was not a serious investment in training opportunities; about programme-led apprenticeships, which were losing contact with the jobs market; and about paper vocational qualifications being churned out that did not meet the real needs of employers. Those warnings, sadly, have proved to be correct.

Tom Blenkinsop: I thank the Minister for giving way; he is being generous with his time. We are experiencing not only record youth unemployment, but record female unemployment. I believe that the last time that such rates were experienced was in 1988, when the Minister was last in power.

Mr Willetts: I was not personally in power then—but absolutely, some groups are excluded from the labour market whenever times are tough, and youth unemployment and female unemployment are both aspects of that.

Mr Stewart Jackson: My right hon. Friend omits to mention one of the biggest catastrophes under the last Government: the disastrous incompetence of the further education capital build programme under the Learning and Skills Council, for which the former Government have not apologised. This Government are having to pick up the pieces.

Mr Willetts: Absolutely; my hon. Friend the Minister for Further Education, Skills and Lifelong Learning is doing an excellent job with tight resources in trying to ensure that we can make at least some improvement to the further education estate, but I want to talk about apprenticeships in particular.

Jeremy Corbyn (Islington North) (Lab): Before the Minister goes on to talk about apprenticeships, will he acknowledge that the direction of travel is entirely wrong? With many young people deterred from going to college because of the loss of education maintenance allowance and rising fees, and others deterred from going to university because of debt and rising fees, does he not think that the situation will be considerably worse in a year or two, because of the policies that he has already adopted?

Mr Willetts: Let me now turn to what we are doing to ensure that young people have more opportunities, so that the picture that the hon. Gentleman paints does not come to pass.

I should now like to make some progress and to say that one of my other regrets about the Opposition motion is that it repeats not only the economic mistakes that we associate with the Brown premiership, but the spinning techniques that we recall from the Blair premiership, and that is not an attractive combination. The worst example of that in the motion, which the shadow Secretary of State repeated in his speech, is the statement that

"the proportion of apprenticeship places for 16 to 18 year olds has decreased by 11 per cent.".

I should like briefly to explain to the House why that statement is both strictly speaking accurate and deeply misleading.

We are talking about a nine-month period, because we have only nine months' data for the latest year. In the first nine months of 2009-10, 92,500 apprenticeships were started for 16 to 18-year-olds out of a total of 211,000 apprenticeships, so 43% of apprenticeships went to 16 to 18-year-olds. By comparison, in the first nine months of the 2010-11 academic year, under this Government, 102,900 16 to 18-year-olds started apprenticeships—up from 92,500—out of a total number of apprenticeship starts of 326,000 in a comparable period. So we have more apprenticeships for 16 to 18-year-olds, as part of a big increase in the total number of apprenticeships. Therefore, because the rate of increase in 16-to-18 apprenticeships was not as rapid as that of other apprenticeships, 16-to-18 apprenticeships in our first nine months constitute 32% of the total number.

The shadow Secretary of State, using his knowledge and ingenuity as a former Secretary of State, constructs an argument in which, because 16-to-18 apprenticeships were previously 43% and are down to 32%, we are all supposed to regret the fact that they have fallen by 11 percentage points given the increase in total apprenticeships. If anyone wants an example of the Blairite attitude to statistics—using every trick in the book to take an increase in the number 16-to-18 apprenticeships as part of an increase in the total number of apprenticeships and to include in a motion an assertion that, somehow, there has been an 11 percentage point fall—we have just seen a case study.

If Labour Members want to be taken seriously, they must get serious not just about the economic challenge that we face, but about levelling with the country and dealing with the facts that we face in an honest way. Referring to that 11 percentage point fall shows something deep in Labour's instincts; the electorate got completely fed up with it, and we all understand why. We are delivering more apprenticeships across the piece.

Ian Paisley: Perhaps the Minister can give me reasons why I should vote against the motion. There are 56,000 unemployed people in Northern Ireland; that is the jobless total. That has trebled over the past four and a half years. The Minister is telling the House that everything is going swimmingly, but I do not think that it is. What are the Government doing to get those 56,000 people out of unemployment?

Mr Willetts: I am trying to explain exactly what we are doing to deliver a significant increase in the number of apprenticeships. We initially pledged to deliver 50,000 extra apprenticeships in our first year; we believe that we have achieved more than double that—100,000 extra apprenticeship places—and there are more to come.

Toby Perkins: Will the Minister give way?

Mr Willetts: I shall try to make progress. Those are real apprenticeships. The shadow Secretary of State said that they were short-term apprenticeships; let me make absolutely clear how we are financing them. We are doing so from the savings that we are making on Train to Gain, which my party in opposition and the

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Liberal Democrats in opposition rightly criticised as an ineffective programme with a large amount of dead-weight. The average number of hours of training received under a Train to Gain place was 33. We are replacing that with apprenticeships, in which the minimum number of hours of training and directed learning are 280. That is what we are putting in the place of Train to Gain. For the shadow Secretary of State to complain about short-term training when we are providing real apprenticeships instead of his Train to Gain is a bit rich.

Toby Perkins: Will the Minister give way?

Mr Willetts: No, I shall try to make progress. We are delivering more apprenticeship places, which I very much hope will be of value to the people of Northern Ireland, as it is to the rest of the United Kingdom. The figures are dramatic: the provisional figures for the first three quarters of the academic year 2010-11 show 330,000 apprenticeship starts—an excellent record.

Let me turn to universities, briefly. Of course, we have debated this issue many times in the House, and will doubtless do so again. I begin by accepting something that the shadow Secretary of State said, and a point that he made when he was Secretary of State. It is painful when, in the summer, one is confronted with young people who have done their best in applying for university, and have not secured a place. It is painful for them, and we recognise the work that they have put in, but in recognising the difficulties that they face, I cannot do better than repeat the words spoken by the shadow Secretary of State when he was Secretary of State and was responsible for the matter:

> "In terms of student numbers, going to university has always been a competitive process...we cannot afford to fully fund every single person who might like to go to university and we never have been able to."

That is the correct position. We have been able to continue to provide record numbers of places at university, despite all the funding pressures that we face and the need to make reductions.

The previous Government, in their final days, had a plan for 20,000 extra places, as they called them, but there was no funding attached beyond the first year. There was no money to pay for years 2 or 3 of the studentship. Incidentally, contrary to the implication in the motion and to what the shadow Secretary of State said, that was explicitly described as a one-off funding stream for one year—"extra one-off funding" were the words of the then Chancellor in the 2010 Budget. What we have done instead is provide those 10,000 places last year, and we will provide another 10,000 next year. Instead of having to reduce places, we hope to maintain broadly that number, so that at least an equivalent proportion of the cohort of 18-year-olds has a chance of getting to university.

We inherited from the previous Government a simple statement, which I shall quote from the pre-Budget report of December 2009. In their list of cuts, there was

> "£600 million from higher education and science and research budgets from a combination of changes to student support within existing arrangements; efficiency savings and prioritisation across universities".

We never knew how that £600 million-worth of cuts was to have been delivered, but it was very hard to see how we could maintain the number of university places that we have done and continue to provide high-quality education given that we inherited that commitment to a cut of £600 million. That is why we took the tough but controversial decision, rather than simply face cuts and reduce student numbers, to base university financing on student fees and loans—absolutely following the model used by the previous Government, with no payment up front. I believe, given the fiscal pressures that we face, that that is in the best interests both of universities, which will find, if anything, that they have extra cash as a result of our reforms, and of students, as it has enabled us to maintain a high level of places, and to reduce the monthly repayments facing students. The shadow Secretary of State failed to explain at any point what Labour would do.

Geraint Davies *rose—*

Mr Willetts: I shall not give way, as I am going to try to make progress, although I would welcome an intervention from the shadow Secretary of State, who could usefully clarify his position. We would like to know what Labour policy is. I have been to the House, as have my ministerial colleagues, to explain our policy, and we have heard a range of suggestions from the Labour leadership. We heard what Lord Mandelson, in his memoirs, thought that a Labour Government would have done if they had been re-elected:

> "I assumed, as the Treasury did, that the outcome would have to include a significant increase in tuition fees. I felt that they would certainly have to double in order to offset the deficit-reduction measures that we too would have implemented had we won the election. The alternative would have been a disastrous contraction of higher education."

Separately, the leader of the Labour party, the right hon. Member for Doncaster North (Edward Miliband), said:

> "I would not go ahead with the increase they're going with. I want to have a graduate tax. Why do I want to have a graduate tax? Because I think it's a fairer way of paying for higher education, because it says the amount you pay is related to the ability to pay".

We have three options: recognising that fees and loans were the way to help universities out of the fiscal pressures that they faced; having a graduate tax; or having a third policy of no policy whatsoever. Once again, we are having a debate in the House called by the Opposition with no indication whatever of how they would put our universities on a solid financial footing. Governments across Europe are battling to tackle their deficits, and it is important that we hear from Labour what it would do. Instead, what we have in the motion, alongside the promises on NEETs and apprenticeships, and quotes on student places, is a reference to the £2 billion tax on bankers' bonuses, which will pay for those policies. Let me tell the shadow Secretary of State that that tax is already paying for reversing the consumer prices index-retail prices index switch for benefits and pensions; for jobs and growth spending, which adds up to £9.5 billion; to support the cancellation of the fuel duty escalator, worth £1.7 billion; to enable the Opposition to reverse the child benefit freeze, which costs £1.3 billion; to reverse the time-limited employment and support allowance, costing £1.1 million; to enable them to reverse the working tax credit freeze for £1 billion; and to

reduce the age-related payment every year, costing another £600 million. In fact, we estimate that in total, the £2 billion that the Opposition will raise from a bankers' bonus tax will pay for £27 billion-worth of public spending increases and other tax cuts.

The right hon. Gentleman has put his bid in and it is on the list. If wants to be taken seriously as a member of Government he has to tell us how he would make the figures add up. He does not rise to that challenge. We are rising to the challenge of sorting out the mess in the nation's finances that we inherited from the Labour Government, and we are addressing that challenge while, at the same time, doing absolutely everything that we can to ensure high-quality education and training opportunities for young people—and we are proud of the commitment that we are displaying to them.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. Will hon. Members take their seats? A number of Members want to participate in the debate, but we have not imposed a time limit for speeches. However, if they speak for considerably longer than six minutes, many other Members will simply not be able to take part, so they should bear that in mind when they make their contributions.

4.44 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): The debate is about future generations. The prospects for the next generation will impact profoundly on not only very young people, but older people. The ability of our young people—the next generation—to get the skills and jobs that form the basis of economic growth will provide the wherewithal to finance our ageing population and the policies that we need for our very young people. Although the debate focuses on a particular generation, it is crucial to the whole population.

Getting the outcome wrong will have profound consequences, socially and economically. Areas such as mine in the black country even now show the scars of the unemployment and lack of investment in education that took place in the 1980s, and the intergenerational social problems that arise from families with low levels of educational aspiration and no head of the family in full-time work. Although any Government would have needed a deficit reduction plan, a slowing economy should not in itself be a reason for cutting investment in education and training. It is education and training that will enable an economy to grow out of recession as circumstances change.

My right hon. Friend the Member for Southampton, Itchen (Mr Denham) acknowledged that the previous Government did not get everything right, but to listen to Government Members one would think the previous Government did not get anything right. No mention has been made of the fact that the number of apprenticeships rose from 70,000 to nearly 280,000—a fourfold increase—or of the huge improvement in education and training qualifications. However, I accept that even at the end of the last Labour Government, there was still a problem.

The west midlands skills partnership, which covers the skills profile in the west midlands, acknowledged that there were 3.5 million people of working age in the west midlands but only 2.5 million jobs. That is an indication of the deep-seated problems that such areas face. The west midlands skills partnership also predicted that under Government policies there would be a net loss of a further 38,000 jobs. It said that with adequate training for people in work and young people, there was the potential to create 10,000 net jobs. If the appropriate investment is made and the required standards are achieved, that will make a substantial contribution to reducing the deficit.

We should recognise that there are deep-seated problems with training and apprenticeships that we as a Labour Government did not totally overcome, but it is legitimate to ask whether this Government's policies will address them. One of the problems is that a huge sector of the economy consists of small businesses, many of which are so small that they find it difficult to engage with the potential that apprenticeships offer. The figures quoted by my right hon. Friend demonstrate clearly that we are not getting the number of new apprenticeships for young people to which Government policy aspires. That is backed up anecdotally by conversations that I have as Chair of the Business, Innovation and Skills Committee with businesses ranging from a boat building firm in Cornwall to black country manufacturing small and medium-sized enterprises. The hon. Member for Halesowen and Rowley Regis (James Morris) mentioned an apprentice in the black country. I am pleased about that, but I had a conversation with a representative of the Black Country chamber of commerce this morning who tells me that apprenticeships are not happening. All the evidence suggests that the Government have not yet cracked the problem.

Gordon Birtwistle (Burnley) (LD): My hon. Friend the Member for Eastbourne (Stephen Lloyd) and I have held meetings with local industrialists in our constituencies and challenged them to take on 100 apprentices in 100 days, working with the Government's apprenticeships scheme. He has succeeded in Eastbourne and I have succeeded in Burnley. Has the hon. Gentleman taken on that challenge, and does he understand that if every Member did so, 60,000 more apprentices would be employed across the country? What effort has he made to raise the number of apprenticeships in his constituency?

Mr Bailey: I congratulate the hon. Gentleman on that. I cannot comment on his constituency, but I am told that the problem in mine is that there are not enough young people aged 16 to 18 with adequate national vocational qualifications to be accepted by local companies. As representatives of our areas we need to play a role in changing that, but with the greatest respect, that will not be done by setting targets—it is interesting that those Members seem suddenly to have adopted the principle of targets—over a short period of time.

Jeremy Corbyn: I am glad that my hon. Friend has come on to this point. Does he share my concern that too many colleges are closing high-skill courses in carpentry, engineering and electronics in favour of others, which means that the whole industrial base of this country is declining rapidly? Intervention at college and school level is essential if we are to get the number of apprenticeships rising.

Mr Bailey: My hon. Friend makes a valuable point, and that is certainly a complaint I hear from local manufacturers. I would hope that the new local enterprise partnerships could address that by involving businessmen and further education provides in policy development, but we are yet to see any benefit.

My great concern, which has been reflected in some of the comments made so far, is that the new higher education funding regime will impact on the apprenticeships market. There undoubtedly appear to be real concerns among young people about the financial consequences of going to university and, as a result, they are looking for alternative routes by which to obtain qualifications. That is not wrong in itself, as vocational qualifications could be ideal for them and for the country.

However, I have looked at some figures. Pearson Professional and Vocational Training reckons that 46% of a poll of 1,100 adults and 58% of 16 to 18-year-olds are now more likely to start an apprenticeship than they were before. Analysis shows that the number of internet searches for "apprenticeship vacancies" has increased by 425%, and the website "notgoingtouni" has seen hits soar by 150%. That is not necessarily bad, but it indicates that a cohort of young people who might have gone to university are now looking to take up apprenticeships or go into vocational training. Where will the young people who would otherwise have taken those apprenticeships go? I think that this is very likely to result in a huge surge of NEETs.

That could be combated by reinforcing the policies and structures, some of which were put in place by the Labour Government, intended to overcome young people's concerns or resistance, and in some cases the cultural obstacles, that prevent them from going to university. The abolition of Aimhigher, which had an enormous effect in areas like my constituency, is a matter of huge concern. The role of encouraging young people from relatively low-income families or deprived backgrounds to go to university has been outsourced. The problems have become much greater and the means for dealing with them have disappeared.

Margot James: Aimhigher was not without its merits, but it did not succeed in getting students from lower socio-economic groups into the more selective universities; it succeeded only so far. I also take issue with the question of what help is now going to be provided, because the whole fair access programme, which underpins the rise in tuition fees, will enable many more people from lower socio-economic groups to access university education.

Mr Bailey: I agree with one element of the hon. Lady's point, because the figures for the elite Russell group universities did not increase significantly, but let me give her some UCAS figures. Between 2003 and 2010, the number of disadvantaged people in the west midlands applying to higher education and being accepted rose by 61%, compared with 27% for people from more affluent backgrounds. Certainly within the higher education sector as a whole, there was a big improvement.

I was just coming on to the point about outsourcing and the Office for Fair Access. If OFFA is given the teeth and the funding to clamp down on universities to ensure that, as a result of their being allowed to levy the new increase in tuition fees, they carry out their function successfully, it may work, but the jury is out on that.

I could also talk about the education maintenance allowance, which was referred to earlier, because about 70% of the students in my local college of higher education receive it, but we have yet to see either the fallout from the changes to it or the potential consequences of that for encouraging young people to take up post-16 education.

I am conscious of the time, Mr Deputy Speaker, so I will not go on much longer, but I make the general point that getting young people not only into vocational training but into higher education is a complex and difficult job. What the Government have done with their cuts is to remove the infrastructure needed to encourage, and to provide the right backing for, young people in order to change the fears and attitudes that have prevented them from going into training and higher education.

We do not yet know the full consequences, but I certainly have great fears that the consequences in the 1980s—with the withdrawal of jobs, education and training from so many young people—will be lived out now. I very much fear that we could recreate the vicious cycle of intergenerational deprivation and marginality which has caused so many social problems, and which in retrospect proves so difficult to counter.

I therefore support the motion and welcome the opportunity to make these points. In the new year, my Select Committee will look at apprenticeships and, I hope, secure a more in-depth analysis of what is happening and of what the Government should do.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. If everybody takes 14 minutes, it means that well under half the people present are going to participate, so I implore hon. Members to take note of the six-minute guidance.

4.58 pm

Esther McVey (Wirral West) (Con): When I became a Member, I said that one of the biggest issues facing the coalition Government was the number of young people not in work, education or training. The figure stands at almost 1 million, and in some areas of the north-west it is one in four, which equates to a huge amount of young people, with a significant amount of energy and ideology, who might not be able to do anything with their lives. Youth unemployment increased by 40% under Labour, and the number of people not working, in education or in employment rose between 2000 and 2008 under Labour, while in the rest of the world it fell. Those are the figures and that is the reality of the situation. Compounded with that, we have a global financial disaster. In addition, Labour left the country with the largest deficit in the developed world, with a rising structural deficit for the seven years before the recession.

However, I do believe that Members in all parts of the House entirely believe that opportunities for the next generation are vital. There are a couple of things that we have to do. We must learn to live within our means and learn to get the deficit down so that we do not pass on more debt to future generations and so that we do not always have to say no. When we have the money, we will be able to say yes.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): May I remind the hon. Lady that the UK had the second lowest debt in the G7 in 2007 and only slightly worsened its position when it was recovering in 2009? I would suggest that the flatlining of the economy due to this Government's lack of economic policy is contributing to the poor state of affairs.

Esther McVey: I hear what the hon. Lady says, but I hope she recognises that we are paying £120 million per day on interest payments alone—not a healthy bank balance if it were mine, not that it ever would be.

One of the key things we have to do is focus on what resources we have. There must be a fundamental mind shift on what we are going to do genuinely to help young people, with honesty, truthfulness, and no false hopes or expectations being created. The Opposition are saying, "Too far, too fast", but I would say to them, "You did too little, too late. You took your eye off the ball locally, nationally and globally, and the disconnect between the youth and what business wants expanded."

Let me substantiate those comments. Before I came into Parliament, I set up and ran the biggest business women's network in the north-west, with 9,000 women members. I am honorary president of WIN—Wirral Investment Network—which is for businesses in Wirral. For 10 years, I worked with school children across all platforms and all backgrounds, and wondered what their hopes and aspirations were. We believe in creating opportunities, but the question is how we are going to get there and achieve that. I spent the past three years interviewing the world's top 100 women from top backgrounds. I asked them, "What did you manage to do and how did you manage to achieve it? What differentiated you from other people?" In helping me with those interviews, they too wanted to help the next generation of young girls in particular.

Lilian Greenwood (Nottingham South) (Lab): Last week, my daughter, who is 14 years old and has just gone into year 10, came back from her school and told me that this year it no longer had the funding to arrange work experience for her and her classmates. How is that going to increase opportunities for young women?

Esther McVey: I find that hard to believe. I am not sure how that has happened, because under the Department for Work and Pensions we are building and taking forward the biggest programme of work experience and voluntary work.

I asked the women what they had that other people did not have, and they said that in life the great equaliser has to be character and personality traits that will lead to success in individuals, irrespective of their background, connections and schooling. They said that those key things have to come from teaching, at a young age and throughout life, determination, ambition, team playing, trustworthiness, focus, working together, and the realities of life, and that that would be the great equaliser whether someone was the daughter of a baron or a baker.

That is what I want to work on with the Government. I welcome the new university technical colleges that want to expand education and ability—hands-on and mental—and will work with kids who want to do engineering and technical jobs. In Wirral, we are hoping to get one of those for the chemical industries and the built environment. I welcome the notion of free schools and academies that will open up environments and different ways of looking at things that possibly were not there before. I welcome the introduction of the pupil premium worth £430 for every pupil on free school meals. I also welcome the national scholarship programme to help the poorest students. We are also planning 250,000 more apprenticeships than were planned under Labour, which is the biggest ever boost to apprenticeships.

Under Labour—this might be difficult for the Opposition to hear—the gap between the relative chances of poor and rich students to go to university widened, the attainment gap between those at private and comprehensive schools doubled, and in places like Wirral the wealth gap doubled. The life expectancy differential between rich and poor men is now 15 years on the Wirral peninsula. I know that we are all hoping to come together to look at opportunities for the next generation, but we have to live within our means, see what we have got, and have a fundamental mind shift to what businesses want.

I am engaging with the National Youth Theatre, which works with kids from all backgrounds to help them with their dreams, aims and aspirations, and to give them the realities of ambition, hope and desire. In every theatre production, we are saying to 1,000 kids, "You can do it, but life will be tough and it isn't easy."

I will finish by mentioning the country's first ever female to set up a public limited company, Debbie Moore of Pineapple Dance Studios, who has said that "nothing good comes easy", but that opportunities are out there for everyone, and that in times of economic hardship opportunities are still out there, but it might just be a little tougher.

The Opposition motion is flawed, inaccurate and misleading. For that reason, it needs to be opposed.

5.6 pm

Pat Glass (North West Durham) (Lab): I will focus on the reality of Government policies on the lives of our young people. The Chancellor tells us that unemployment has not increased since the 2010 election. In my constituency unemployment has doubled, and the number of young people who are unemployed has risen by 28%. The hon. Member for Stourbridge (Margot James), who is no longer in her place, told us that the Opposition were encouraging a culture of victimhood among young people. However, citing the 28% increase in youth unemployment in my constituency is not shroud waving; those are real young victims with real young lives that are being wasted.

The Government talk about social mobility, narrowing the attainment gap, and focusing on the vulnerable and those living in deprivation and poverty. In reality, they are presiding over a huge increase in the number of young people not in education, employment or training. They have abolished many of the policies, such as the future jobs fund and the education maintenance allowance, that had a positive impact. Although the Government say nice warm words about social mobility and narrowing the attainment gap, their policies appear to be designed directly to exclude, rather than include, these young people.

[Pat Glass]

The number of young people not in education, employment or training increased by 54,000 in the last quarter of last year. That is an additional 54,000 wasted young lives. Anybody who has worked with these young people sees them not as numbers but as wasted young lives. When the figures are broken down, it is clear that the biggest proportion is made up of young people who would be classified as vulnerable, such as those with special educational needs and those living in poverty. We have not seen this level of wasted young lives, or witnessed such indifference to such a tragedy from a Government, since the 1980s.

I accept that having people who are not in education, employment or training is nothing new. We had them at the time of the last Labour Government. The difference is that we did something about it. We did not sit back complacently and just let it happen. In the period between its implementation in 2009 and its abolition in 2010, the future jobs fund reduced the NEET figure by more than 200,000—that is nearly a quarter of a million young people who were given hope and the possibility of a future.

The Government's response to all this wasted youth and potential is apprenticeships. However, what they say and what they do are two very different things. They have scrapped the guarantee of an apprenticeship for every 16 to 18-year-old who wants one. They are manipulating the figures on apprenticeships by claiming that apprenticeships for those aged 25 and over have increased by 234%.

The Minister for Universities and Science earlier accused Labour of spinning statistics, and tried to give us a lesson on it, but this is an example of high-grade spinning: the Government have rebadged Train to Gain—in-work training for older people—as "apprenticeships". The economy needs more proper apprenticeships for young people, not short-term courses designed for older workers simply rebranded as apprenticeships. Older workers deserve better than to be pushed on to courses that do nothing for them, but are cheap for the Government to run.

On education maintenance allowance, I have worked for many years wrestling with the dilemma of improving outcomes for poorer and more vulnerable pupils, narrowing the gap between the most advantaged and the most disadvantaged, and improving participation in further and higher education. In my view, the introduction of EMA had a greater impact on the delivery of those difficult goals than almost anything else that I have seen, but it was abolished. I think it was abolished because it was a Labour Government policy. If we can find £180 million to spend on an experiment such as university technology colleges, we can find the money for EMA.

EMA was a contract between the Government and the student. Those on EMA had better attendance and attainment than their peers, and we were beginning to make good on some of the seemingly intractable and complex issues in education, such as improving boys' attainment, narrowing the attainment gap and raising the participation of the poorest.

The Secretary of State for Business, Innovation and Skills keeps telling us—we heard this again today—that the gap between the most advantaged and the most disadvantaged increased under Labour, but the truth is that educational attainment for all children improved under Labour. Attainment outcomes improved more for the most advantaged, but that is because of the complex set of barriers that face the most disadvantaged. Anyone who has ever worked in that field—that probably rules out most of the Government—will say that it is easier to improve outcomes for those who are already advantaged. It is much harder to improve outcomes at the same rate for the more disadvantaged. That takes consistent hard work from teachers, high levels of resources, targeted interventions and, most importantly, commitment by the Government, which is clearly no longer there for those young people.

EMA gave a leg-up to the young people who face the biggest challenges in life. It gave them access to the best courses by providing help with travel costs, books and equipment. It became the silver bullet for many disadvantaged young people. The Secretary of State came to this House and told us repeatedly that students would go to college with or without EMA—presumably on the basis that if he told us often enough, someone, somewhere would believe him—but that is not borne out by the evidence given to the Select Committee on Education, and it is not what I hear from students in my constituency, who have seen a combination of the abolition of EMA and the tripling of tuition fees. Those together have robbed them of their shot at further and higher education. That toxic combination has produced a barrier that they simply cannot get over. That is not good for them or their families, and it is disastrous for the long-term interests of this country.

The Government say that they care about all children, and that they want to improve outcomes for all children, and yet their policies directly contradict that. Their policies are about the fragmentation of the education system in favour of those who are already advantaged. A bit of help from the pupil premium will not bridge that gap.

Government cuts are wiping out youth services across the country. At the same time, the Government are providing resources for the Prime Minister's flagship national citizens service, which, frankly, will provide an extra six weeks' holiday for some rich kids, at the expense of desperately needed targeted youth services for others. That favours those who are already advantaged over the disadvantaged.

Government policies and cuts in public expenditure that are effectively wiping out careers advice to school pupils favour the advantaged over the disadvantaged. The well-off can already open doors to opportunities for their children, but disadvantaged young people cannot rely on family connections to open doors for them, or to get them work experience, unpaid internships with foreign banks or similar opportunities.

The Government's policies are disadvantaging those young people and curtailing social mobility. In the long term that makes poor economic sense. It is time for the Government to rethink their policies on young people, and to start supporting all our young people, not just some of them. It is time they stopped supporting the advantaged over the disadvantaged, and stopped wasting young lives and talents.

5.14 pm

Mr Robin Walker (Worcester) (Con): Today's debate is on a vital subject, and I have no doubt that opportunities for the next generation are dear to the hearts of every

Member. I am sure that we all come to this place motivated to ensure that opportunity is as great as possible, and I have no doubt that Members of all parties are passionate about delivering for the next generation. It is tragic, therefore, that Labour Members can only talk down the opportunities for the next generation, given that their party in government did so much to blight them with debt and economic uncertainty.

Lyn Brown (West Ham) (Lab): Is the hon. Gentleman trying to convince the House that no young person in his constituency has talked to him about the withdrawal of the EMA and its impact on their life?

Mr Walker: Absolutely not. I have met young people in my constituency and I have been to my local technical college and explained to my constituents what we are doing to replace it. The people to whom I have spoken have been satisfied with that, however, because they have understood that there will be support in the future.

It is important to consider how to create opportunities. In my maiden speech I noted that some of the steps set out in the Gracious Speech aimed to increase opportunities for young people by supporting businesses that wanted to hire, by increasing the number of apprenticeships and by pursuing vital education reforms. Since then, all three of those themes have been strengthened. In answer to a recent parliamentary question, I discovered that 38 businesses in Worcester—a significantly higher proportion than the average—have successfully registered and benefited from the national insurance holiday scheme to allow them to hire new employees, and earlier this year another parliamentary question revealed that 400 apprenticeships were started between May 2010 and the end of last year. Following the huge success of the 100 in 100 campaign, championed by my excellent local newspaper, the *Worcester News*, I have no doubt that there will be even more this year.

Apprenticeships are a fantastic pathway to opportunities for young people. I have no compunction about saying that the previous Government were right to start the process of building them up, and I will not pretend that all Conservative Governments in the past have given them the priority that they deserve. However, it is churlish for this Opposition motion to decry the achievements of the Government and the Minister for Further Education, Skills and Lifelong Learning in delivering more. As the Minister for Universities and Science pointed out earlier, the statistics in the motion are based on spin. I welcome the Government's commitment to fund 360,000 apprenticeships in this financial year alone, and we should all welcome the announcement in this year's budget of a further 50,000 apprenticeship places and the more recent announcement that the Government are beating their own ambitious targets for apprenticeship starts.

Lilian Greenwood: Does the hon. Gentleman not share my concern that even if we do see the apprenticeships that he is talking about, if growth does not return to the economy and if the Government do not do something to stimulate that growth, those people will do their training and then have no jobs to go to?

Mr Walker: I totally agree that we need to deliver economic growth. I welcome that intervention, and I will come later to that point and to some of my suggestions for delivering growth.

Just last week the Government announced plans to cut more red tape for apprenticeship providers and businesses. That will be welcomed by businesses in my constituency, which often say that it is fear of the red tape involved that discourages them from supporting the scheme. The hon. Member for West Bromwich West (Mr Bailey) made an important point about how it is a challenge to encourage small businesses to provide apprenticeships. It is a challenge that we must meet, though, and one that I am depressed to see is not mentioned in the Opposition motion. It makes no suggestions for how to deal with red tape.

Businesses in Worcester are taking on apprentices, though—businesses such as Worcester Bosch, Skills for Security, Yamazaki Mazak, Sanctuary Housing, Worcester Community Housing and Tesco. From engineering expertise through to cooking and food safety, retail and administration, young people are learning on the job, and more are doing so as a result of the Government's determination to strengthen the apprenticeship route. Next Monday I shall host an apprenticeship fair at Worcester's historic guildhall, to celebrate the successes that have already been achieved and to launch a new challenge for apprenticeship recruitment in the city. It will be aimed specifically at NEETs and will be a celebration of real success and a chance to create new opportunities for the next generation.

It is not through apprenticeships alone, however, that opportunities will be created. Businesses must be supported in hiring and encouraged to invest in their staff and pursue opportunities for growth. Through scrapping Labour's jobs tax right at the start of this Parliament, the Government did exactly that. Is it enough? Of course we would all like to see more, but is it a step in the right direction? Absolutely it is. We have also supported small business through corporation tax reductions and making the small business rate relief automatic.

We should never underestimate the vital role of SMEs in providing employment and opportunities for young people. The Opposition motion makes little mention of that, but it does mention the regional growth fund, which is already backing opportunity in Worcester through its support for the plans for a Worcester technology park. Once it gets the go-ahead, this project will provide a new home for green technologies in our county and provide thousands of jobs for the next generation. In contrast to the picture of doom and gloom painted by Labour Members, this body, created by the coalition Government, is already providing valuable investment in growth and making a real difference in our communities today.

The Labour party calls for a VAT cut, and for many businesses that might seem like an attractive option, but the best way in which this Government can help business is to provide economic growth and stability. Neither will be possible, however, so long as we labour under a growing deficit and burden of debt.

Toby Perkins: Will the hon. Gentleman give way?

Mr Walker: I will not, I am afraid; I have already given way twice.

With their unfunded tax cuts, the Opposition have neither a plan nor a blueprint for growth. The coalition Government must do better. We must continue to invest in apprenticeships, and continue to ensure that a world-class

[Mr Robin Walker]

higher and further education sector delivers real value and opportunity. Most of all, we must support a business-led recovery.

I would like to see more people taken out of tax, and more businesses participating in schemes such as the national insurance holiday, apprenticeships and business rate discounts. I would like to see a reform of the business rates system, to give local councils more power to provide targeted discounts and to replace the antiquated valuation system. I would also like to see a real focus on the skills needed for the next generation—but today's negative and dispiriting Opposition motion provides none of those things. I urge the Minister, in dismissing this dismal motion, to show that the coalition Government are continuing as they started out, by supporting skills, backing business and opening opportunity for the next generation.

5.21 pm

Chris Evans (Islwyn) (Lab/Co-op): I congratulate the hon. Member for Worcester (Mr Walker) on manfully standing up and giving us the Tory mantra. Looking across at the Government Benches, I feel sorry for him, however. It is a pity that Government Members could not be bothered to turn up to listen to his speech. Look how empty those Benches are. They should be disgusted with themselves. How many Liberal Democrats can we count? One, two, three—I cannot see any more.

Sajid Javid (Bromsgrove) (Con): Look behind you!

Chris Evans: Has Christmas come early? Is this the pantomime season?

I come to this debate remembering the experience of the 1980s. We cannot talk about opportunities for the future without thinking about that period. I grew up in the south Wales valleys, and I remember the headmaster saying to us on our first day at school, "Some of you will bring joy to the school. A tiny minority of you will make us proud and you will go to university. An even smaller minority will get into trouble with the police and bring shame on the school. The vast majority of you are only good for factory fodder, and until that time comes, we are going to make this the happiest period of your lives." *[Laughter.]* We can laugh at that, and we can look back and mock it, but he was putting across the poverty of ambition that we felt. We felt ignored by the Tory Government; we did not fit in with Thatcher's economic miracle. We simply wanted one thing. Well, we wanted a few things, actually. We wanted to feel safe in our own homes, we wanted to feel secure in our jobs, and we wanted hope for the future.

But, as we have heard today from the Opposition Benches, there is no hope for the future. Education maintenance allowance has gone and tuition fees have trebled, but what do we hear from the Minister? "We can't do anything different. It's the deficit. It's the only way." I congratulate the Whips, because that is all I have heard since I came into the House: "It's the only way; it's the only way." Well, if the Minister wants to find a different way, I suggest that he phone the Welsh Assembly and make an appointment with the Education Minister there, Leighton Andrews. He should then jump on the tube, go to Paddington, take the train to Cardiff and go and speak to him. He will hear how our students in Wales are paying only £3,000 in tuition fees, and how we have managed to keep the education maintenance allowance. Then let him come back here and say, "It's the only way." In Wales we have a Labour Government. In Wales we are delivering for young people. That is the truth.

I have been hearing about the wonderful idea of apprenticeships, but there is also a huge problem with them. I pay tribute to the companies in my constituency, including Axiom, Abingdon Carpets and Pensord, that are offering wonderful apprenticeships; those schemes will build for the future. They face a problem, however, and I think that it comes from the 1980s. Many of the candidates do not have the necessary skills, such as timekeeping or communication skills, and that puts them at a disadvantage before they start. We need to look at the education system.

Justin Tomlinson (North Swindon) (Con): I congratulate the hon. Gentleman on his eloquent speech, but will he confirm that those very same potential apprentices were educated under a Labour Government?

Chris Evans: The apprenticeship scheme was during the Labour Government, and we have a Labour Government in Wales. It is devolved. *[Interruption.]* Will the hon. Gentleman repeat his question?

Justin Tomlinson: Is it not the case that those potential apprentices who do not have the necessary skills were educated under a Labour Government?

Chris Evans: I apologise for not having caught part of the hon. Gentleman's question. The point I am getting at is that this problem has come down through the years. Sometimes the problems have not been addressed by any Government. As my hon. Friend the Member for West Bromwich West (Mr Bailey), who is no longer in his place, said, because of the decline of the manufacturing base, a number of families had no jobs and were on benefits, as there was a benefit culture there. That permeated through the education system. We need to take action now to ensure that when apprenticeships are available, those people can go for them.

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): The hon. Gentleman is making an important point, which is why the Government have introduced the access to apprenticeship schemes—to tackle that very problem.

Chris Evans: I agree with that, but I am saying that it needs to go much deeper. I was talking today to a friend, Andrew Whitcombe, who is the director of skills and business development at a local college. He told me that those schemes were fine, but that more needed to be done within the education system; some sort of driving licence was needed.

Lyn Brown: Does my hon. Friend agree that the biggest problem with this Government is that they take an awful lot with one hand, and give back a few pebbles with the other hand, to the people we represent? The biggest problem young people have had to face in trying to fulfil their aspirations in my constituency is the

removal of their education maintenance allowance, which is not being replaced by anything of equal value. The replacement is certainly not going to provide for as many people in my constituency as EMA did. Although Conservative Members can talk about their grandiose schemes, they are not replacing what they have taken away—

Mr Deputy Speaker (Mr Nigel Evans): Order. Will the hon. Lady face the Chair so that the microphones can pick up her words?

Chris Evans: That is the point I was trying to make. We in Wales have realised the importance of EMA, which is why we have kept it. Why have we been able to keep it? Because we have a Labour Government.

To pay off the deficit—yes, we do need enterprise and we do not want inertia, but there is a problem with the Government's belief that people can somehow go into a shop, see some sort of product on the shelves, drink it and then all of a sudden become entrepreneurs. What we need is a fundamental overhaul of how we look at our education system. We need to make work part of our education from day to day; we need to talk about self-image and communication skills, and above all, we need to talk to people about entrepreneurship. That is the only way forward for us.

To return to the motion, I do believe we need an economic stimulus, and that could come about through a VAT cut—but we also need to look at fundamental problems in our society and try to address them.

I have kept my points short, Mr Deputy Speaker, and have spoken for only six minutes. I hope that you will remember that in future when I want to speak again.

Several hon. Members *rose*—

Mr Deputy Speaker: Order. To make sure that everyone follows the hon. Gentleman's excellent example, I am now going to introduce a six-minute limit so that all Back Benchers are protected.

5.28 pm

Lorely Burt (Solihull) (LD): I am speaking not just as a member of this coalition Government but, like the hon. Member for West Bromwich West (Mr Bailey), as a west midlands MP. In the west midlands, we have a youth unemployment rate of 9.6%, which is 2% higher than the UK average. There is nothing I would like more than to see young people given the opportunities that they need, but this is not a new problem. Youth unemployment in the west midlands has been running at about 2% higher than the national average since mid-2008, but is this motion the right way to deal with it?

I would say that the Opposition have failed because, once again, they have not faced up to the realities of the situation. The Government are taking the tough action needed to reduce the deficit—a deficit left to us by the Labour party. It is in that context that we have to view the motion before us.

Debbie Abrahams: Will the hon. Lady give way?

Lorely Burt: I have a six-minute limit, I am sorry.

Mr Deputy Speaker (Mr Nigel Evans): The usual injury time will apply.

Lorely Burt: In that case, I will give way.

Debbie Abrahams: Is the hon. Lady aware that debts in the City of London in 2009 stood at 245% of gross domestic product in comparison with a public sector debt of 60%. Is it not about time that the Government acknowledged that point and made sure that they targeted their action where it belongs?

Lorely Burt: I do not think that debt is a good thing. As has been mentioned, we are spending £120 million a day paying off our debts, which means that the money cannot be used for all the things that hon. Members would like to spend it on.

It is well known that Labour's plans for the economy would have cut £7 for every £8 that the Government are cutting.

Toby Perkins: Will the hon. Lady give way?

Lorely Burt: No.

The difference, other than the £1, is that the Labour party has not had the decency to tell us where it would cut that from. The Opposition claim that it is this difference that has resulted in the number of people not in education, employment or training reaching 1 million. That is the first of many interesting recollections in the motion, so let me highlight a few stark facts: in May 1997, there were 664,000 unemployed 16 to 24-year-olds in the UK, but in May 2010 there were 924,000. After 13 years in government, the Labour party left youth unemployment 40% higher than when it took office; it was Labour Members who took us to that level.

What are the Government going to do about that? We have rolled out the Work programme across the UK. It provides flexible and tailored support that will be of real benefit to our young people, unlike many of the unsuccessful schemes operated by the previous Government. We are yet to see the initial results of the Work programme, but I am confident that it will prove more successful than the future jobs fund, which was heavily reliant on the public sector and provided little more than a smokescreen for the increasingly poor youth unemployment record. In Birmingham, 2,500 positions were created under the future jobs fund, only 50 of which were in the private sector, and evidence shows that 50% of the people who took up a placement were back on jobseeker's allowance when their placement ended. So that is not a programme that can be deemed a success.

The motion condemns this Government for leaving 100,000 people without a university place. Labour's collective amnesia appears to have struck again. The shadow Secretary of State seems to have forgotten that in 2009, when he was universities Minister, he imposed a strict cap on places, which led to 130,000 people missing out. In 2010, the situation got worse, because 150,000 people missed out on a place. The Labour party focused so much on the 50% target it had set that it forgot the minor detail of how it was going to pay for it. Government Members will take no lectures on universities from Labour Members, especially as the intense focus they put on universities left other routes of education for our young people neglected.

[Lorely Burt]

The Government have sought to rebalance that equation. We have increased the number of apprenticeships by 100,000, smashing even our own targets. These apprenticeships will provide skills and training that will allow people to progress into the job market. Not only that, they will offer more flexibility than the traditional route of education, allowing people to decide what is best for them, rather than being subjected to the conveyor-belt style of the previous Government.

The motion also, bizarrely, highlights house building and claims that the Government are responsible for the current slow-down. House building under Labour fell to its lowest level since 1946. It got so bad that Labour's housing Minister advised our young people that it was, "Time to give up the dream of home ownership." What kind of message is that for young people? What kind of message does it send after 13 years in government? This Government are building 170,000 affordable homes over the lifetime of this Parliament. We have established the new homes bonus and the FirstBuy scheme, and we are bringing back into use many of the 300,000 empty homes in the UK. We are taking action to help young people on to the property ladder—where the previous Government failed.

The Government have also set up the regional growth fund to boost businesses outside the south-east, and I note from the motion the Opposition's tacit approval for the scheme. They call for more money to be spent. We, too, would like to invest more money but, as the right hon. Member for Birmingham, Hodge Hill (Mr Byrne) admitted, there was "no money left". At the same time as making spending commitments and opposing deficit reduction, they have called on us to cut VAT. Cutting VAT to 17.5% would require £13 billion more of spending cuts and I would be very interested to know where hon. Members feel that should come from. All that the Opposition offer to pay for new homes, increased regional funding, VAT cuts and a new youth jobs fund is a bankers' bonus tax that raises less than our bank levy and failed last time. It is economic nonsense.

This debate is about chances for our young people. We do nothing to help their chances if we do not take the difficult decisions necessary to reduce the deficit. We are investing in apprenticeships, building new homes, getting people into work and securing the long-term future of the economy. That is what this Government are doing.

5.35 pm

Catherine McKinnell (Newcastle upon Tyne North) (Lab): There is no doubt that this is a worrying time for this and the next generation of young people. That is not just my view but that of those who see first hand the damage being done to opportunities for young people, particularly across Newcastle and the north-east.

The abolition of Labour's education maintenance allowance came as a serious blow to thousands of young people across the north-east, yet organisations have stepped into the breach. Newcastle city council, now safely back in Labour hands, was not prepared to stand back and abandon Newcastle's generation of young people and therefore established a new 16-to-19 bursary scheme that is helping young people who face financial hardship to stay in full-time education.

The decision to end the highly regarded Aimhigher programme recently came in for strong criticism from regional universities, which fear that greater barriers to social mobility in deprived areas will be the result. Despite what the hon. Member for Solihull (Lorely Burt) has just said, I have yet to find any support for the scrapping of Labour's future jobs fund, which helped more than 5,000 young people get a foot on the job ladder in the north-east alone, not to mention the coalition's decision to allow universities to charge students up to £9,000 per year, with the maximum fee looking likely to be the norm, not the exception, despite the promises of Ministers.

That all adds up to a total lack of Government strategy to support young people at a time when youth unemployment has hit record levels. Some 949,000 16 to 24-year olds—more than one in five across the country—are now out of work. Over the past 12 months the north-east has seen an 18% rise in the number of jobseeker's allowance claimants, one of the highest increases in any region by some margin. For me—and for many, I am sure—that is very alarming.

Since I was first elected to this House, I have been a passionate advocate of apprenticeships and the important role that they can play in supporting young people into the workplace. To give him his due, the Minister for Further Education, Skills and Lifelong Learning shares my passion. Indeed, I welcome his commitment to expanding the number of apprenticeship places and to building on Labour's excellent work in government. I am seriously concerned, however, that the figures on apprenticeship places are possibly being fudged, with the number of places increasing by 234% in the past nine months, which is largely attributable to Train to Gain being rebadged.

I also believe that we need to look very carefully at the quality and types of apprenticeships that are being created because we need to ensure that they genuinely meet the needs of current and future employers and match the skills that we need for Britain's future economy. How will the Government ensure that new apprenticeship places are additional to any new jobs created? It is no good converting existing jobs into apprenticeships just to say that a target has been reached; we need to offer genuine opportunities to young people and provide genuine support for businesses so that they embrace the apprenticeship model. Despite many local employers taking up the apprenticeship agenda with gusto, many still do not appreciate the benefits that taking on an apprentice can have for their organisation. Indeed, that concern is borne out by a recent north-east chamber of commerce report that found that companies wrongly believe that taking on an apprentice is "too expensive", or that apprenticeships are available only in a very narrow range of sectors.

Caroline Dinenage (Gosport) (Con): Does the hon. Lady agree that the emphasis that the Government have put on apprenticeships has been fantastic PR in the sense that people who would not previously have thought of offering them now do so? I met a chap in my constituency the other day who is a carpet cleaner and who, purely because of the Government's emphasis on apprenticeships, suddenly had the idea of offering an apprenticeship to kids from the hardest-hit areas of my constituency. That move has been a huge success and can be credited solely to the emphasis that the Government have put on apprenticeships.

Catherine McKinnell: I agree that apprenticeships need a sales job to be done on them, but there is a greater need for real action that meets the needs of businesses and the economy, and I am worried that the Government's approach is just a PR job and does not have much substance. Having met a number of apprentices from across Newcastle who work in catering, construction and as motor technician apprentices, I have seen how beneficial they can be to businesses. I have a business apprentice in my constituency office in Lemington, who just turned 18 last week and who is genuinely invaluable to my office. I encourage all hon. Members to take on an apprentice in their office and lead the way.

Clearly, the coalition needs to do more. In these straitened economic times, the Government should use every lever in their power to increase the opportunities available to young people. They should lead the way and they could make a huge difference by using public procurement to achieve social and economic ends. They spend £220 billion a year purchasing goods and services from the private sector—from business support services to new schools and hospitals to new trains. They are the top single contractor in the UK. I introduced my Apprenticeships and Skills (Public Procurement Contracts) Bill, which is due to have its Second Reading shortly, so that all companies that win major public sector contracts give a firm commitment to create apprenticeships as part of that bid.

I am delighted that my proposal has been adopted as Labour party policy, but I am disappointed that it has received only warms words from the Minister for Further Education, Skills and Lifelong Learning. As I have said, this is not the time for warm words—it is the time for action. It is hugely disappointing that the Minister for the Cabinet Office has repeatedly rejected the idea, stating that using public procurement policy

"to stimulate the creation of more apprentices...wouldn't be appropriate".

I ask, "Why?" If getting the cheapest price for a contract results in long-term costs and missed opportunities for young people and for the creation of our future skills base, that is short-termism at its worst and is an irresponsible way of spending taxpayers' money. That attitude is even more disappointing because the policy has the backing of many people and major organisations, including the Federation of Small Businesses, chambers of commerce, the Association of Colleges, many unions, the Federation of Master Builders, the Electrical Contractors Association and indeed Lord Sugar.

I urge all right hon. and hon. Members to lend their support to today's Opposition motion, because we simply cannot take the risk of creating another lost generation of young people. We have the tools to make a difference and we have the spending power of public procurement—let us use them.

5.42 pm

Justin Tomlinson (North Swindon) (Con): Given the time constraints I shall cover a number of topics swiftly and litter them with personal requests in the hope that the Minister will agree to every one of those requests. First, on apprentices, about which several Members have made some excellent points, I welcome the increase in numbers both for young people and for adults as I am a huge fan of apprenticeships. As a Member of Parliament I have taken on an apprentice in my constituency office, and in my former role as a business owner I also took on an apprentice, who has gone on to have a good career.

In my constituency, we have launched a scheme with a number of local businesses called plan 500, which has sought to increase the number of opportunities for work experience and apprenticeships. I am such a huge fan of apprenticeships because they help businesses by giving them an opportunity to train and shape apprentices to their organisation's needs. They are an affordable step for businesses that are looking to progress and they provide an excellent opportunity for those who participate in apprenticeships, often giving them far better career opportunities than traditional university graduate schemes. Having talked to local businesses and business forums in my constituency, I know that they are extremely supportive of apprenticeships.

My hon. Friend the Member for Gosport (Caroline Dinenage) made a point about the need to improve the perception of apprenticeships, which has continued to improve over a number of years and rightly so. One problem is that many businesses still do not understand how easy it is to employ an apprentice or what it entails. I have mentioned this in several debates, and I shall repeat it because it is still an excellent point. All businesses receive a business rate mailer, and I call on the Government to include in it information on how to take on apprentices; it would lead to the creation of further opportunities for young people.

We should do all we can to encourage the next generation of entrepreneurs. Talking to young people, it becomes clear that they love, and are inspired by, "The Apprentice" and "Dragon's Den." To make a sweeping generalisation, young people have enthusiasm, drive and cheek. These are all essential ingredients needed to innovate and challenge the norm, especially in high-tech and traditional industries where new opportunities could be created.

To be proactive, I think we should encourage young enterprise schemes in schools; we should establish the network of 40,000 business mentors; we should support global enterprise week, which for all those with diary open and pen poised is 14 November; and we should tap into inspirational projects, including the excellent work of the Peter Jones Foundation and of the Premier League, which has managed to deliver enterprise activities to more than 115,000 children in just two years. Too often we actually educate people out of entrepreneurial flair. I studied business at university, and only a handful of the 300 in our year went on to set up their own business. My plea is that we just let people get on and be that next generation of business owners.

I am particularly keen to see an expansion in financial education. It is essential that we equip the next generation to understand the increasingly complex financial world, and to have the confidence to be savvy consumers. That will help young people make informed financial decisions; it will help provide them with the confidence to manage their own money; it is good for their CVs, helping improve their likelihood of securing work in a challenging market; and it encourages entrepreneurs. I hope all Members will continue to support our all-party parliamentary group on financial education for young people, which is calling for compulsory financial education in the school system.

[Justin Tomlinson]

On housing and the challenges for young people in becoming first-time buyers, I would like banks to show flexibility rather than sticking to the crude method of "timesing" income by a multiple to determine whether the young person can afford to pay a mortgage. A lot of young people are already demonstrating that they can afford a mortgage by paying rent, which is nearly always more expensive than the current mortgage. I would like banks to look a lot more carefully at the person's credit history and disposable income to determine whether they can service a mortgage.

On student finance, we have a duty to provide information to allow young people to make the best career choice for their individual circumstances, so I welcome the setting up of an independent taskforce, led by Martin Lewis of moneysavingexpert.com, to provide clear, independent advice covering the good and, crucially, the bad of any changes. For example, the emphasis should be on the question: is university really the right option for an individual? It is good for some people, not so good for others, and we have a duty to ensure that young people make informed decisions to get them their best opportunities in life.

I was going to set out a series of observations on student finances, but I will go straight to my plea that under the new system graduates should be allowed to repay loans early. The reason that we need to do so is set out in Martin Lewis's "mythbusters" on the seven deadly sins of not allowing early repayment. First, we encourage everyone to try to manage debt responsibly, and the policy flies in the face of that. It is unpopular; in a survey carried out on the website, 87% of people said they wanted to repay early. It penalises people for good financial management and success. For some it will mean that commercial loans are cheaper; student loans will no longer be good debt for them. It pressurises parents into stumping up so that students do not need loans; and higher repayment thresholds mean that people are in debt for longer.

I understand that the policy is being considered because we do not want to disadvantage people from challenging backgrounds; I was one of the people who benefited from a full grant. But although a young person relies on their parents when they go to university, when they graduate their destiny is in their own hands as they secure work, and if a graduate has secured a good job and has disposable income, they should not be penalised with a lifetime of debt. I urge the Government to consider that.

5.48 pm

Jim Shannon (Strangford) (DUP): I am pleased to be called to speak. The first line of the motion before us says that

"this House believes that young people face a more uncertain future"

than

"their parents and their grandparents"

ever did. None of us in the House could argue with that, and it is the premise on which the debate is founded—that things are not as rosy today as they were for us or our parents. I am proud to be a father and grandfather. I am also proud to represent the constituency of Strangford in Northern Ireland. I am conscious of the fact that, when young people come to me, I sometimes see desperation and anxiety about getting employment and trying to do better for themselves, and I ask myself, "How can this happen? How can we help?"

The hon. Member for North West Durham (Pat Glass) gave an indication of the unemployment figures for her area, and the figures for my area do not make good reading either. In July this year, 2,580 people were unemployed in my constituency. That represents 6% of the economically active population—those aged 16 to 64—and places my constituency 219th among United Kingdom constituencies. Yes, it is in the bottom third, but the number of claimants is 250 higher than last year and has increased by almost 80 in the past four months. So a clear trend is starting, and that worries me.

Many of our young people are in this bracket; they are seeking employment, improvement and opportunity. I often see young, highly qualified university graduates applying for jobs in Tesco stores. There is nothing wrong with them doing that, but they are qualified to do better. I am concerned that they are not getting better opportunities. A new Tesco store is opening in my area in October, and some 2,500 people applied for the 160 jobs on offer. There are opportunities coming through, but not enough of them. We need to ensure that opportunities are there for the future, and I believe that the debate shows how we can do that.

I recognise clearly what the Government have done and what they are trying to do, but I suggest that there should be more focus on other methods of doing things. Internships are a route being followed by increasing numbers of graduates. The Government must continue to encourage employers to invest in students and graduates by offering work experience and internships, which help them to develop valuable skills and boost their employment chances.

I welcome the individual commitment by many hon. Members to successful initiatives in their areas—that is good to see—but apprenticeships are an essential mechanism. There must be in place encouragement schemes for employers to keep on their apprentices once they are qualified. In Northern Ireland, where this is a devolved matter, the Department for Employment and Learning has a programme whereby those who hire long-term unemployed people receive a financial incentive for the first few months of the employment. It is my belief that, if we made a similar offer to those who employ people for the first time, more employers would see the benefit of taking on additional employees.

We are all too aware of the financial difficulties that most small and medium businesses face, and it is the duty of the House to understand them, while encouraging sustainable employment. The motion refers to

"a temporary VAT cut to boost consumer spending".

There is some debate about whether that is a good idea, but I feel that it is. It would boost confidence and lift the economy, and I believe that it is important to do so. I see the benefits of that proposal.

It distresses me to hear that a great many young people are moving abroad. I know people who have moved from my area to Australia, which has a bit of an economic boom, or to New Zealand to get jobs. People who were brought up in my area and have construction skills see opportunities elsewhere and move out of the country to take them.

As has been said, there is another way if we look hard enough. The Northern Ireland Assembly has put a ceiling on tuition fees for students in Northern Ireland. Initiatives can be taken if the willpower is there. I see a major problem in relation to the brain drain. We often think that that happens when people reach a certain age, but I am concerned that we must stop our young people leaving our shores for pastures further away. The skills for life programme and further education have delivered much, but I am concerned—this terminology was used by a previous speaker—about a lost generation. I see a lost generation for my area if we are not careful in how we plan our strategy for the future. The Government are committed to doing better, but we must look at things in a different way. A business constituent has suggested that people could do voluntary community work for a few hours daily to get their benefits. They could then build that up as a CV, as well as helping the constituency.

I also welcome the part of the motion that refers to the bank bonus levy, which would have a financial benefit if we took it upon us. We must look to the future and foster a generation of workers who have had the opportunity to gain expertise and experience from their education. The reality is very different out there, and I urge the House to support the proposal, which was made with the best of intentions. Hon. Members should look on it favourably.

5.54 pm

John Hemming (Birmingham, Yardley) (LD): Sometimes, I think that there is a tendency in politics to focus too much on trying to avoid tripping over the hurdles in front of us. We do not look at the horizon and see where we are going in the long term. Rather than focusing on the minute issues about the immediate policy and the motion—I oppose the motion and support Government policy—I should like to consider the longer-term issues.

It was rather sad to hear the hon. Member for Islwyn (Chris Evans) criticise factory work. For my constituents, we try to maintain work at Jaguar Land Rover. Those skilled jobs give people an opportunity in life. My view of work is that people should work to live, not live to work. If people have skilled jobs or have gone to sixth form or university, they can find a house to live in, bring up a family and go on a few holidays. They have some stability in their lives. That is a positive thing to have, and it should not be downgraded as something that society should not aim to have. The hon. Member for Strangford (Jim Shannon) made the valid point that jobs in Tesco are important. I am pleased that a Tesco will soon open in Yardley and provide people with additional jobs.

Within all this, we need security. Young people need such opportunities in the first instance. Let us put aside party politics for a moment and look at what has happened over the past 20 or 30 years. Technology has improved things in one sense—obviously, we can do a lot more with fewer people—but we do not need so many people to do what we do. The hon. Member for West Bromwich West (Mr Bailey) said that there are perhaps 1 million jobs short in the west midlands. Obviously, some people are now in education who would previously have been in work. Considering 50% growth is a thought experiment; it will not suddenly magic up massive employment. We need to consider what is happening in other countries. Rather than focusing on a relatively small number of people working many hours a week, trying to put everything together so that they can afford to buy a property, perhaps our long-term aim should be that people need not necessarily work so many hours and that the work is shared out.

We have had disadvantages with the benefits system. People have been discouraged from working part time. If they work part time, they do not qualify for benefits such as tax credits and the like. I hope that the universal credit system will enable people to say, "Actually, by balancing out work and life, I don't necessarily have to work full time." We could then share out the work and have greater numbers of people contributing to society and fewer people being described as NEETs. I do not like using acronyms to describe people. Perhaps people's finances might not be so good, but if more people were in work but not necessarily working so many hours, they would have a better quality of life.

Sheila Gilmore: If people work fewer than 16 hours, they do not get support from tax credits. Under the universal credit system, a ceiling will be placed on people's incomes. They will not get out of poverty as a result of those proposals.

John Hemming: I am trying to move on from just being party political about the next few minutes' policies. If we want to design a society—okay, I do not believe in centralised state management—we should consider our objectives. If our society is to be one in which a greater proportion of people participate in its operation, we do not need to discourage people from working only two days a week, which is what the hon. Lady was referring to. That issue needs to be looked at.

We cannot just solve things with economic growth. In practice, there are limits to the resources available for growth. As colleagues might be aware, I chair the all-party group on peak oil and gas. Putting aside climate change, there are constraints on the availability of fossil fuels and limits to the extent to which we can increase consumption. When we look at obesity in society—perhaps I am a good example—we should consider whether we need to increase consumption.

There is a wider view. We need to look critically at what we are doing in the long term. In the short term, we have to deal with the deficit; there is no question about that. If we do not, interest rates will go up, and we will end up in a situation similar to that of Greece, or various other countries that face serious financial problems. However, in the long term, our objective has to be a society in which everybody participates; in which we work to live, rather than live to work; and in which we try to involve everyone. We cannot do it with a command-economy approach, but we need to support people in doing what they can and working part time, rather than penalising them for that.

I think that I have, in less than six minutes, managed to make my point, so I leave the Floor to other hon. Members.

6 pm

Geraint Davies (Swansea West) (Lab/Co-op): It is a great pleasure to follow the hon. Member for Birmingham, Yardley (John Hemming), but in general, we have heard

[Geraint Davies]

a rag-bag of rubbish from Government Members today. Let us think about the big picture: accelerating globalisation; climate change; the ageing of western populations; and the emergence of developing markets, particularly in China and India, that are driving up energy prices, which makes green technologies economical.

In Europe, there is a sovereign debt crisis in the aftermath of a financial crisis, but the UK, after 13 years of Labour Government, is in a pretty strong position. As I pointed out earlier, Iceland, Ireland, Italy, Portugal and Spain are in a much worse position than Britain. Why? It is because Labour had created 2 million extra jobs since 1997. Those people are working, paying tax, and making their way.

Of course, we have a deficit, two thirds of which, as the Institute for Fiscal Studies acknowledged, was created by the bankers. The other third was due to the fact that, in the recession, we invested more than we earned, but there is no apology for that. Yesterday, the Government attempted to say, "Oh well, we'll sort out the banking crisis," but their remedy would take eight years. They also acknowledged that they would bail out Lehman Brothers and others, so that was no real solution.

The big choice is in deciding what the balance should be between growth and cuts to get the deficit down, and there is also the issue of timing. We have not heard much about what a growth strategy would look like. We have seen what a cuts strategy looks like; we are living that awful nightmare. What we need in a growth strategy is a strategy for indigenous growth, in which we invest in education, skills, apprenticeships, economic clusters, and an entrepreneurial culture; we have heard some reference to that. We need to build up trade links, which have been savaged by the Government's disinvestment in regional development agencies, which means that UK Trade & Investment cannot market the UK abroad effectively and get companies to invest in Britain. We need to invest in infrastructure and, in particular, in housing, as is mentioned in the motion, to crank up the economy once again.

We need inward investment, resulting from the effective marketing of Britain—something that has been cut to the bone. We need to create economic conditions of stability and certainty, not just in Britain but across Europe and globally, to give business the confidence to invest. We need to spot the obvious fact that the emerging opportunities are in future markets, not least in China and India. What is the verdict on the Government's efforts so far? Pretty poor, frankly. Small business is starved of cash from banks. The news of massive cuts in public services means that consumers are saving instead of consuming, so companies are not investing in new jobs. In construction, things are almost as dead as a door-nail.

On education and skills, Government Front Benchers deny that it is possible to send students to university for £3,000, yet in Wales that is precisely what is happening. A student from Wales will leave university with a debt of £10,000, but in England, it will be £30,000. If there are three children in a family, that is £100,000 in England, versus £30,000 in Wales.

John Hemming: Does the hon. Gentleman accept that Wales gets a lot more money per capita through the Barnett formula?

Geraint Davies: That is complete rubbish. The calculation is that Wales is underpaid by £300 million. We started in the same position. This is about economic choices. There are tough choices; the choice in Wales was to cap investment in the health service. It was a tough choice, but the right choice, to invest in skills for the future and productivity to make Wales strong—

Mr Davey *rose—*

Geraint Davies What the hon. Gentleman is doing is making England weak.

Mr Davey: The hon. Gentleman and his colleague from Wales, the hon. Member for Islwyn (Chris Evans), have praised the Welsh Government. Can the hon. Member for Swansea West (Geraint Davies) explain why the average spend per school pupil in Wales is £604 less than in England in 2010-11?

Geraint Davies: The average spend in Wales is less, but the reality is that the Welsh Government have given an undertaking to increase that spend year on year. In fact, because the Government are cutting local authority funding by 7% a year for four years, there will be less money for education in England. What there is will be funnelled into middle-class free schools, to the cost of poorer communities. Wales will put a cap on health spending, and more money will go into education. It will have a comprehensive system in which there is more money, instead of cuts, and a system in which people are enabled to go to university. That is investing in the skills of the future.

As I have mentioned, UK Trade & Investment has historically been very effective in promoting inward investment and trade in Britain, but crucially, that relied on regional development agencies, which have been abolished. When I spoke to UKTI in Brussels, Belgium, and in Düsseldorf, the same message came back: German companies would come back with a computer platform, saying, "We want to put a factory somewhere." Where are the RDAs to draw that down? They have been abolished. Well done, the Tories and the Liberals.

On infrastructure and construction, the Government have abolished the scheme to renew schools, which basically means that construction workers are being laid off. As for future markets, we have to look at companies such as Tata Steel near Swansea, and Airbus in north Wales. Those big consumers of energy are being penalised by the Government and their unilateral carbon pricing. The Government forget that we operate in a European market, and do not understand how the markets work at all. Those companies are part of the solution. Tata Steel has a new generation of steel, with seven layers, that generates its own heat and energy; that reduces the carbon footprint by cladding a building. Airbus has a new generation of planes that use 30% less energy. That is part of the solution, and we should be supporting, not penalising, those big employers and companies.

Let me talk about Swansea. I am proud that people in companies such as Amazon are flying the flag and saying, "Come to Swansea." We are in the premier league, so we are a global brand. What is stopping us are the Government, who are cutting the coastguard, which undermines confidence in tourism and investment

in wind farms offshore, and are stopping the electrification of the railway from Cardiff to Swansea, which would link us to the European network. We just need a helping hand so that we can keep going for success, can build on the intellectual clusters in the two universities in Swansea, can build on our team spirit in marketing Swansea, and can make our contribution to a sustainable, inclusive, growth-focused future for the rest of Britain. There is enormous opportunity for Britain to get up off the floor and fight, but it is being held down by the Tories' and Liberals' ineptitude.

6.7 pm

Robert Halfon (Harlow) (Con): This is a very important debate. As I said in my maiden speech,

> "In Essex, nearly 4,000 young people are not in employment, education or training, and Harlow is one of the worst-affected towns...If we give young people the necessary skills and training, we give them opportunities and jobs for the future."—[*Official Report*, 2 June 2010; Vol. 510, c. 488.]

I went on to say that that is not just about economic efficiency; it is about social justice. That is what the debate is about—real, tangible, long-term opportunities for young people, not false hope, short-term Government programmes, or a revolving door back to benefits.

It is worth looking at the history of the past few years. In 2000, around 600,000 16 to 24-year-olds were not in employment, education or training. By 2010, the number of jobless had doubled to well over 1 million, where it remains today.

Sheila Gilmore: If we are to have a history lesson, it is perhaps pertinent to point out that the rate of youth unemployment fell during the first years of the Labour Government. The 2010 figure that all Government Members want to quote with such glee was after the recession. One must look at the whole period, and not simply take the beginning and end point and imply that the Labour Government did nothing to reduce youth unemployment.

Robert Halfon: It is interesting to hear that, because youth unemployment rose steadily over the past 10 years.

For those who call for a stimulus at all costs, such as the hon. Member for Swansea West (Geraint Davies), that decade is a warning. Even during a boom, we cannot spend our way to full employment. Other factors must be taken into account. From 2001, we asked teachers to spread themselves too thinly, with too many competing priorities. Maths and English suffered, and in the past 10 years, 500,000 children left primary school unable to read or write, which is shameful.

Our business culture is flawed. In Austria and Germany, for example, one in four businesses offer apprenticeships to young people, but in England it is just one in 10. Twice as many Germans qualify to become apprentices, or gain technical skills, compared with British people. What has gone wrong in the UK for our skills levels to be so low? I accept that the previous Government, as many Opposition Members have said, were concerned about youth unemployment, but far too often the schemes that were introduced in the past 10 years worked like a hamster's wheel: people were shifted around and around, but they did not get anywhere.

The future jobs fund, which was celebrated by the right hon. Member for Southampton, Itchen (Mr Denham), cost a huge amount—£6,500 per placement. As I said in an intervention, about 50% of people who took part in the scheme went on the dole. I accept that there is genuine concern in all parts of the House about young people, but some of the policies introduced by the previous Government failed to get to grips with the problem, which should have been acknowledged in the Opposition motion.

What is to be done? We must improve our schools, build up vocational education, and encourage the right climate for employers to create jobs. We are already seeing a massive expansion in academies, and free schools and simpler budget lines for colleges have been introduced. All state schools will be assessed on maths and English, and that new focus is yielding results. We must build up vocational education. As has been said, the Government are funding 100,000 sponsored work experience placements for jobless 18 to 21-year olds. All vocational training will be free at the point of access, with costs repayable only when someone earns a decent salary. As has also been said, record numbers of people are signing up for apprenticeships—real apprenticeships—and getting into work.

The flagship, I believe, will be the 24 university technical colleges, which are being driven by Lord Baker and Lord Adonis. Their vision is for new 14-to-19 apprentice schools, which will be led by employers and will be centres of excellence in manufacturing, building and engineering. That will be a conveyor belt to university and high-skilled jobs. The first round of UTCs will be announced this autumn, and Harlow college in my constituency has made a strong bid to be one of the first, specialising in building systems and the new internet media that are helping to grow our economy at the London TechHub. It is shame that the shadow Secretary of State did not mention UTCs and the advantages that they will bring.

As has been said, we must encourage the right climate for employers to create jobs. Like other hon. Members, I have employed an apprentice, and I am recruiting another one at the moment. However, one problem experienced by my apprentice is that universities did not give his NVQ the UCAS points that it deserved. Apprenticeships are much harder in many ways than A-levels, and we should recognise that in the UCAS system. Elsewhere in the Government there are initiatives to create a job-friendly climate, including the Work programme, lower taxes for lower earners, welfare reform, and cuts in small business tax and corporation tax. In the past few months, I have worked with the National Union of Students and major UK firms to launch a new apprentice card, which has received strong support from my hon. Friend the Minister for Further Education, Skills and Lifelong Learning. It will give apprentices the same financial benefits as those for A-level and university students.

I congratulate the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) on her push for apprenticeships in public sector contracts. I urge the Government to implement that proposal, not just nationally but in local councils. I have called for that repeatedly, and I have discussed it with members of Essex council, which is taking a serious look at it.

The number of jobs available has been discussed, and I want to read something from a recent letter sent to me by Monster, the jobs company:

> "In order to meet...challenges, we have identified that the problem lies, not with the availability of jobs, but the failure to match jobseekers to job vacancies."

[Robert Halfon]

That is crucial: it is about information and changing the culture so that people know what jobs are available. We must make sure that the National Apprenticeship Service and other schemes work as they should. In the next few weeks, I will launch a parliamentary academy—some hon. Members will have received a letter from me about this—with Martin Bright and his charity New Deal of the Mind.

Youth unemployment is devastating, and if we can improve school and vocational training—

Madam Deputy Speaker (Dawn Primarolo): Order.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. May I ask the remaining six Members who wish to speak—there were only five on my list—to resume their seats while I am speaking? We have to begin the winding-up speeches at 6.40 pm. Six Members stood up to speak, which means about four minutes each. That is the good news. The bad news is that if everyone takes longer than four minutes someone will fall off the end of the speakers list, and I am afraid that I cannot do anything about that.

6.16 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I will be brief, Madam Deputy Speaker.

With a few notable exceptions, it is a shame that hon. Members have tended to conduct the debate on party political grounds. We are discussing the future of our young people, which is much too important for us to take that approach, so I pay tribute to the hon. Members for North Swindon (Justin Tomlinson) and for Harlow (Robert Halfon). I have grave concerns about the Government's policies, particularly the spending cuts and what they will mean for our young people.

In my constituency, there has been a steady rise in unemployment among 16 to 24-year-olds over the past 18 months. That was not something that happened before the Government took office—there has been a consistent increase in the past 18 months, and I have looked at the figures for other constituencies, too. As for NEET statistics, the figures are reaching 20% in the north-west. In my constituency, there has been a 10% increase in unemployment in the past year. In the 1980s, when I began my working life as a community worker with unemployed young people, I saw that unemployment had a significant impact on them. We must not forget the human costs, and I remember that those young people felt abandoned and separate from a society in which they had no stake.

The hon. Member for Wirral West (Esther McVey) said that opportunity is open to everyone if they can find it. That is not the evidence from the OECD's recent report, which shows that, of the 30 developed countries, the UK has one of the poorest records for social mobility, along with the US, France and Italy. Using income changes as a proxy measure for social mobility, the OECD found that a hefty wage premium was associated with growing up in a better educated household, with a corresponding penalty for being raised in a less educated family. That was particularly the case in southern European countries and the UK.

In the UK, the OECD found that 50% of the economic advantage that high-earning fathers have over low-earning fathers is passed on to their sons. By contrast, in Australia, Canada and the Nordic countries, less than 20% of the wage advantage is passed on. Analysis undertaken by the London School of Economics showed that the bigger a country's income differences the lower its social mobility. The American dream, it seems, is just that, as the US has the lowest social mobility, followed by the UK. Again, the Nordic countries are the most socially mobile. We must look at all those factors in our policies to make sure that we live in a country in which our young people can aspire to achieve their ambitions, and in which they believe there is something for them.

Policy reform can and should remove obstacles to intergenerational social mobility and to promoting economic equality of opportunities for all, but unfortunately I see direct parallels with the policies that we endured in the 1980s. The cuts to public spending are ideologically driven, with scant regard for the human costs. The scale and pace of the cuts mean that we risk abandoning yet another generation. We have already heard about the scrapping of education maintenance allowance and the trebling of university fees, but we have not heard mention of the introduction of commercial interest rates on student loans and how that will make such loans even more off-putting for people from low-income backgrounds. In addition, the Government have done away with the future jobs fund and fudged the figures on apprenticeships.

I urge all Members to look closely at opportunities for all our young people and to support the motion.

6.20 pm

Nic Dakin (Scunthorpe) (Lab): When young people in my Scunthorpe constituency express exasperation about how hard it is to get a job and look me in the eye and say they have no future, I feel guilty because it is our responsibility to ensure that young people have hope. It is our responsibility to ensure that our young people have a better future than their parents and their grandparents. Now, thanks to the actions of this Government, that is in jeopardy.

We all have personal experience of how motivating it is for someone to get on to a course or into a job. It is particularly motivating for young people. I know this from my 30 years' experience in education, most recently as principal of a large open-access sixth-form college. Students would grow in confidence in their first few weeks, encouraged and enthused by teachers and others. They would be amazed at their own abilities. We would unlock their talent and release their potential.

We have all observed, I am sure, how someone loses interest in life, becomes irritable with friends and family and is in danger of sinking into idleness as a result of weeks of worklessness, and how that same person suddenly grows in stature and confidence in their first few weeks of work. Work is transformational for all of us, but particularly for our young people. At the Crosby employment bureau I was privileged to witness first hand the transformational impact of work on youngsters on the future jobs fund. From being listless and desperate, they became focused and enterprising. With the vast majority progressing on to jobs at the end of the programme, this was a real success for individuals and for society.

Figures show that one in four 18 to 24-year-olds are out of work, and that is worst for young men. Those not in education, employment or training were at a record high of 18.4% last quarter. There is a danger of significant lifelong costs of long-term youth unemployment—a generation suffering for the rest of their working lives from poor job prospects, and a return to the economic, personal and community despair of the 1980s.

The ladders of opportunity put in place by the Labour Government are being systematically kicked away by this Government. EMA, the future jobs fund and the September guarantee have all been scrapped, tuition fees have trebled and student numbers have been slashed. Add to this the chaos in the careers service, which is to be debated later, and the dismantling of youth services up and down the land, which is well documented in a Select Committee report, and one wonders why the Government have got it in for young people.

EMA was the most transformational thing I have ever seen in my professional experience. It gave young people hope. It was demonstrably clear from all the evidence that EMA impacted on their attendance, their achievement and their life chances. The fact that it has gone is extremely worrying. Among the colleges in my constituency, John Leggott college last year received £865,000 in EMA. This year it has £130,000 in bursaries. North Lindsey college last year received £1,168,000 in EMA and this year has £187,000 in bursaries. That is a real impact, and it is being felt out there.

I hope the House rallies behind the motion, recognising that although all of us have not always got it right, this is an opportunity to move forward together in line with the interests of our young people.

6.24 pm

Toby Perkins (Chesterfield) (Lab): We can tell that we have a Tory-led Government when we are back here again debating how a whole generation can be looking forward to so challenging a future. I was desperately disappointed by the speech from the universities Minister. He spoke for 28 minutes today and he kept promising that he was going to get on to what he was doing for young people. I heard him say about four times, "I'm about tell you what I'm going to do for young people." He quoted Lord Mandelson and my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown), and he tried to sell us his book. Perhaps we need to buy his book to learn what his policies are, but he did not tell us anything about what the Government's plan is to try to end the record level of youth unemployment.

The Minister told us that apprenticeships were the way forward, but he was already doing that, so there was no reason for any young person listening to the debate to leave with any confidence that we had a Government with a plan that would do something about youth unemployment. Never before have young people in our country been faced with such an economic assault on all sides. The lesson of our history is that when young people start on the dole, they stay on the dole. It is so important that we get them into the right habits of working from the moment they leave school.

We urgently need growth in our economy. The Prime Minister said last week that the country was facing a growth crisis, yet we come to a debate here about the central issue facing our country, and the Conservatives and Liberal Democrats run out of speakers a long time before the end because they have nothing left to say. We have had about five speakers in a row from the Labour Benches because Government Members have given up. They have no idea what to say about this policy area.

We could look at education maintenance allowance, at university tuition fees, as my colleagues have said, or at the Government's decision to abolish the future jobs fund before they had even assessed its success. What has happened to all those show that we have a Government who are careless of the damage that they are doing to the next generation. Why? Because the young are dispossessed, they are less likely to vote and they pay less in taxes—but times are changing. The student demonstrations showed that young people are being politicised as never before. The number of young people who have been joining the Labour party in Chesterfield, coming forward and wanting to have their voice heard gives me great confidence about what young people will do in future.

We are facing a desperate graduate employment crisis. The public sector is not growing. We have hundreds of social work graduates out of work. It is no accident that we have a huge increase in graduate unemployment at the same time as the public sector cuts. Perhaps that is because the Government have some sort of plan for a private sector-led recovery. However, the private sector recovery is not doing all that well, as we see from examples such as Bombardier, where the Government had an opportunity to safeguard jobs in British industry but decided instead to send those jobs overseas.

In the case of Forgemasters, the Government could have taken a decision that would have put Britain at the forefront of a new industry, but instead they pulled the ladder away. We see what they have done to growth in our economy with the scrapping of the regional development agencies. In Chesterfield, when Auto Windscreens went into liquidation, more than 1,000 employees turned to the Government for help and no help was forthcoming.

The future looks bleak for graduates, but it looks even worse for those who have not had the opportunity to go to university. In the next debate we will consider the dreadful mess in the careers service. At every level we see a Government who are careless about the future for young people and who are setting young people up to fail. If they do not take action soon, there will be a wasted generation.

6.28 pm

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): This debate is about the ability to provide skills, work and disciplined, self-organising working communities. That in turn provides revenue in tax and safeguards pensions, services and social security, on which we all rely to support the next generation.

I draw the attention of the House to a response that I received from the Minister to a written question. I asked him:

"what assessment he has made of the potential effect on youth unemployment of the change in higher education fee arrangements in 2012."

He replied:

"The change in the fee arrangements enables the Government to continue to finance a high number of places in higher education

[Tom Blenkinsop]

for students in 2012, and therefore there is expected to be no adverse impact on youth unemployment as a consequence of the change."—[*Official Report*, 7 September 2011; Vol. 532, c. 721W.]

The poverty of that response from the Minister is surpassed only by the poverty that the Government's policy on tuition fees will induce in areas such as mine.

Last week Bill Gross of PIMCO said that the market would look favourably on a change of the Government's economic plans. That is because the growth forecast has repeatedly been lowered. Inflation today was 4.5% on the consumer prices index, although that is not reflected in pay increases. We have seen an increase in unemployment, massive public sector redundancies and the private sector slowing down and building up for redundancies. In manufacturing and construction purchasing managers' index figures have declined continuously in the past few months under this Government

Middlesbrough, unfortunately, tops the league in the north-east as the area with the highest youth unemployment, with 31.6% of economically active young workers aged 16 to 24 resident in the borough out of work. It is followed by Redcar and Cleveland, two boroughs that I also represent. Across the UK as a whole, almost one in five economically active young workers aged 16 to 24 are unemployed. Around 949,000 16 to 24-year-olds are out of work, following a rise of 15,000 in the last quarter, which is approaching levels last seen in the 1980s. Overall, unemployment rose by 39,000 in the three quarters to June this year, to top almost 2.5 million. The number of jobless women benefit claimants rose by 15,600 to over half a million, the highest rate since 1996.

What is especially concerning for me, coming from an area where the mass unemployment of men from 1979 onwards led to a cultural phenomenon of long-term family unemployment, is that we are now seeing massive unemployment for women. We have not seen such unemployment rates since 1988. That has a massive cultural impact on constituencies like mine, where we have had fathers, brothers and uncles unemployed, because we will now see mothers, aunties and sisters unemployed for the long term, too, as a direct result of these policies. However, these concerns seem to be falling on deaf ears in the Government. The Office for Budget Responsibility, which was set up by the Government, knows that the Government will have to borrow £46 billion more as a result of their economic policies. That means that 200,000 more people will become unemployed, also as a result of those policies.

I suggest to the Government that their rebalancing of the economy, along with the recovery, seems to be flatlining. The latest survey data from business organisations suggest that the manufacturing revival has run out of momentum. Even as businesses complain about engineering skills shortages, the unemployment rate remains the highest in the north-east, at 10%. The fear is that the skills hoarding that we saw before is not happening. The unfortunate position we are in at the moment is that the same people are now going back on short-term working agreements that they had only recently come out of. We are returning to a period in which the economy could go either way. One suggestion that the Minister might like to make to the Chancellor is to reverse the CFP policy, please look at primary industries, such as the chemical and steel industries, and please do not put manufacturing in jeopardy from foreign competition.

6.32 pm

Chris Williamson (Derby North) (Lab): I want to talk briefly about the promise of Britain and how it applies in Derby, with specific reference to the rail industry. Derby is renowned for its railway heritage. We have been building trains in the city for 180 years, right back to the 19th century, but we are faced with a serious situation in which the rail industry in our country hangs in the balance. The industry has given hope and a good future to young people in the city for countless generations.

Before the general election, Members now sitting on the Government Benches said that they would review all the major rail contracts, so I assume that they looked in detail at the contracts before eventually deciding not to award the vital Thameslink line to Bombardier, which would have provided employment and security for thousands of people in my city, including young people with apprenticeships, and instead awarded it to Siemens, which will build the trains in Germany. It seems to me that Ministers have been very lax in their scrutiny of the tender specifications, because the invitation to tender clearly—

Robert Halfon (Harlow) (Con): On a point of order, Madam Deputy Speaker. I thought that this debate was about opportunities for the next generation, not Bombardier railways.

Madam Deputy Speaker (Dawn Primarolo): Mr Halfon, I think that you will find that that is a matter for me, not you. The hon. Member for Derby North (Chris Williamson) will return to the debate.

Chris Williamson: I am trying to make the point that denying Bombardier the opportunity to fulfil this contract denies future generations the opportunity to enjoy long-term employment in the rail industry. This is a serious situation, because we face the prospect of losing the ability to build a train ever again in this country—the country that gave the world the railways. We will never again be able to build a train because of a decision that this Government have taken. The specifications of the invitation to tender were very clear that the successful bidder must have a proven solution. Siemens does not have a proven solution. It does not have a lightweight bogie. The tender goes on to state that it should be deliverable—

Madam Deputy Speaker: Order. Mr Williamson, I am sure that you are illustrating a point, as you said, and mean to address the topic of the debate in your short contribution, but it would be good if you talked about that topic, rather than the tender.

Chris Williamson: I am, Madam Deputy Speaker. I am merely pointing out that the Government have not fulfilled their obligations and are thereby denying opportunities for apprenticeships for building the lightweight bogies, the carriages that will run on the Thameslink line.

There are opportunities to terminate that contract. I will not go into the detail in case you call me to order, Madam Deputy Speaker, and because I want to finish my contribution shortly. However, I must refer to what the Prime Minister said when he brought his Cabinet to Derby in March. He said:

"The point of the Cabinet today is to ask one fundamental question: what is it that we can do in government to help the economy to rebalance, to grow and for businesses to start up, to invest and employ people?"

I say to the Prime Minister and to the Government that they should honour the commitment he gave to the people of Derby and of this country when he brought his Cabinet there. They should give young people in my city hope for a future in the rail industry, and give our country hope that we can continue to have a rail industry long into the future. If they do not do that, I fear that people in Derby, and across the country, will be denied for ever the opportunity to work building trains in the rail industry.

6.36 pm

Sheila Gilmore (Edinburgh East) (Lab): I shall address first some of the points that the Minister made, yet again, at the outset of the debate, about the inter-generational issue. What he said is a complete red herring. His argument is that the problems that young people face today were caused by the previous generation stealing their children's future. I declare an interest, as one of the baby boom generation—the younger end of it. I accept that in many ways we are a fortunate generation. We are fortunate because we are the children of the welfare state. We benefited from better education, better housing and better health. We were the children raised on the cod liver oil and that peculiar-tasting orange juice. I do not know how many Members present remember that, but it did us a great deal of good.

Government Members who are so concerned about social mobility should consider that social mobility rose for the generation who entered adulthood in the 1970s precisely because they had those opportunities. If social mobility is held to have stalled in subsequent years, we must look at what was happening when the young people of the first decade of this century were growing up—the 1980s and early 1990s. Social mobility is a long-term matter. This is not about the selfishness of a generation, but about the way that we structure society. If we are to structure society and the economy for future generations, we must put in place the sorts of measures that benefited us.

Housing is extremely important. In Edinburgh, and I suspect in many other parts of the country, the problem is not planning, despite the planning controversy that seems to have engulfed those on the Government Benches. The problem is about money to fund affordable housing. We have outstanding planning consents for buildings that are not being built. We have regeneration schemes that have stalled after demolition has been carried out, because we cannot afford to build. We have a plan for regenerating our entire docklands area. The development framework was developed five years ago, before the recession, for 18,000 homes, but it has stalled.

How do we unlock that? We could do it by making the investment that would allow affordable homes to be built. That would help to resolve the problem of young people being unable to afford housing. It would also create jobs in the private sector, and apprenticeships, which other Members have spoken about. That is very important, and we need to put it in place. That is where the investment should be going. We need to think about that very seriously, because if we do, there will be a future for our children.

6.39 pm

Mr Gareth Thomas (Harrow West) (Lab/Co-op): We have, as ever, had an interesting debate, with the first Back-Bench contribution coming from my hon. Friend the Member for West Bromwich West (Mr Bailey), who rightly raised concerns about young people being deterred from going to university.

My hon. Friends the Members for North West Durham (Pat Glass) and for Scunthorpe (Nic Dakin), in powerful speeches, rightly outlined the huge mistake that the Government have made in axing the education maintenance allowance.

My hon. Friend the Member for Islwyn (Chris Evans) set out the stark difference between a Labour Government in Wales, committed to EMA and keeping tuition fees down, and the Government here in Westminster.

My hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) rightly raised concerns about what axing Aimhigher means for the delivery of better access to university, and again she rightly pressed Ministers to look afresh at the case she has been making for the use of public procurement to drive more apprenticeship places.

My hon. Friends the Members for Swansea West (Geraint Davies) and for Chesterfield (Toby Perkins) highlighted the absence of a clear and coherent growth strategy—a point that my right hon. Friend the Member for Southampton, Itchen (Mr Denham) clearly highlighted in his opening remarks.

My hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) dwelt on concerns about the impact on future social mobility of the measures from the governing parties.

My hon. Friend the Member for Derby North (Chris Williamson) quite rightly exposed the Government's failures on Bombardier, offering a devastating indictment of the Government's approach to manufacturing industry and of the future opportunities for young people not only in that business but, as other Members have said, in other firms such as Sheffield Forgemasters.

My hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) raised the fears that young people in his constituency will be deterred from going to university, and he also highlighted the growing concern about rising unemployment among women, particularly in his area.

My hon. Friend the Member for Edinburgh East (Sheila Gilmore) joined in the concern about the impact on future mobility of the Government's measures, but she also highlighted the need for more social housing funding in her constituency in particular, but also nationally.

We also heard from the hon. Members for Wirral West (Esther McVey), for Worcester (Mr Walker), for Solihull (Lorely Burt), for North Swindon (Justin Tomlinson), for Strangford (Jim Shannon), for Birmingham, Yardley (John Hemming) and for Harlow (Robert Halfon), but, apart from the hon. Member for Harlow, who joined the call from Opposition Members for a far greater effort by the Government to use public procurement to secure still more apprenticeships, we heard little from Government Members, including little sadly from the Minister for Universities and Science, who opened for the Government, that will encourage Britain's next

[Mr Gareth Thomas]

generation to believe that this Administration are not playing fast and loose with their prospects.

We had no apology for the decision to treble tuition fees, no apology still for axing the future jobs fund; no apology for scrapping education maintenance allowance; no apology for an economic policy that is cutting our deficit too far, too fast; and no apology for its devastating impact on prospects for the next generation.

The Government instead claim that the impact of their deficit reduction plans will be shared, but the truth, as the Institute for Fiscal Studies revealed this week, is very different. It is the next generation in particular who are bearing the brunt of the Government's misplaced economic plans. When almost 1 million young people are out of work and Government policies are having little or no positive impact, it is surely time for the Government to come up with a plan B. Leaving young people on the dole is a waste not just of talent but of money, because it is pushing up the benefits bill.

One would have hoped that the current generation of Conservatives had learned the lessons of the 1980s. For years back then, even when recessions were officially over, youth unemployment continued to rise, and that is why action is needed now to prevent another lost generation of young people. Thanks to Labour's youth jobs programme, youth unemployment was falling. Now, with the future jobs fund axed, youth unemployment is rising.

We have also had to listen to the complacent assertion from Conservative and Liberal Democrat Back Benchers that trebling tuition fees will not discourage the brightest and best of the next generation from going to university. Never mind that independent analysts, such as London Economics, advisers to Lord Browne's inquiry, or the London School of Economics' centre for the economics of education, both predict that the numbers of those going to university will drop.

Robert Halfon: The hon. Gentleman says that youth unemployment was falling under Labour, but Office for National Statistics figures show that from 1997 to 2010 it increased by 39.2%. Will he explain that, please?

Mr Thomas: As my right hon. Friend the Member for Southampton, Itchen pointed out in his opening remarks, youth unemployment was actually falling for the vast majority of our period in office. Of course, there was a global recession, and youth unemployment rose during that time, but thanks to Labour's jobs fund youth unemployment was actually coming down when we left office.

Perhaps we need also to dwell on the quality of the higher education that will be available to young people. Before the summer recess, the Minister for Universities and Science presented a White Paper that could have meant a dynamic future for universities and their students, that could have been the centre of our country's plans to rebalance the economy and that could have helped to drive the growth of new jobs in the new industries; instead, we had little more than a Coulson-esque smoke and mirrors exercise to try to disguise the coming auction of places to the lowest bidder in order to help close the funding hole that trebling tuition fees has created in the Government's higher education budget.

Mr Willetts: The shadow Minister attacks our higher education policies, but are the Labour Opposition committed to reversing our increase in tuition fees?

Mr Thomas: My right hon. Friend the Member for Southampton, Itchen set out in his opening remarks what Labour would have done had we been in office. The Minister will recognise that we have in place a detailed policy review, but there was absolutely no reason why his party needed to cut university funding by as much as it did or needed to see—as a result—university fees rise so much.

Instead, the right hon. Gentleman is taking places from universities with international reputations and seeking to auction them off to the lowest bidder. He makes much of student choice, but it will not be students who decide which universities get extra places in that auction.

The Minister, under pressure back in April, praised London Metropolitan university for keeping its fees below £9,000, but just days after his praise London Met announced that 400 courses were being closed; and in July, Carl Lygo, the chief executive of BPP, one of the new providers that the right hon. Gentleman wants to see do more, said that his institution would be forced to increase staff-student ratios as it expanded. With higher tuition fees on the one hand, and cuts in courses and worse staff-student ratios on the other, this is a Government who clearly think that such measures are a price worth paying.

"And the...financial cost"

—these are not my words, but those of the independent Higher Education Policy Institute—

"to students and taxpayers—is likely to be considerable."

As the Minister said in his opening remarks, the Secretary of State—in his more saintly past—railed against the levels of personal debt. Now he aspires to huge increases in the levels of debt that students face on graduation. If that were not bad enough, the Higher Education Policy Institute also found in its analysis that

"social mobility is likely to be"

a

"...victim of the Government's plans, and the new methods of allocating resources and controlling numbers look likely to reinforce...disadvantage rather than remove it."

The Conservative party is damaging social mobility and entrenching disadvantage. Why, who on earth could have predicted that? Almost 2,000 university nursing places and 4,000 university teacher training places have gone this coming academic year; 10,000 extra student places were axed last year by the former Chief Secretary to the Treasury, the right hon. Member for Yeovil (Mr Laws); and 10,000 extra places are being axed next year. Each one is an opportunity gone for the brightest and best of the next generation to fulfil their hopes and their ambitions.

The apprenticeships guarantee scheme has been axed, EMA has been ended, there is rising homelessness and we have a Government in need of a plan B. They are leaving young people with a more uncertain future than at any time in the recent past.

The Government need a serious strategy for growth; they need a plan B; the motion offers them one, and I commend it to the House.

6.49 pm

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I welcome this debate because I believe that all Members of this House came into politics with the intention of trying to ensure that the next generation has greater opportunities than the current generation. It is a debate that we need to take very seriously because there is a real problem in our country, and there has been for many years, regarding opportunities for the most vulnerable and disadvantaged in our society. The UK's performance in relation to youngsters who have never been in education, employment or training has been lamentable for many years; we have been near the bottom of the OECD table for a very long time. The youngsters who have left school, are not looking for work and are not in training are those we should most worry about because their opportunities are most scarred, and they are out of contact with the many people who could help them. If we do not give opportunities to those groups of young people, the scars will be with them for life, and it will be a big loss to our whole economy and society; we need a national mission to focus on them.

We heard passionate contributions from many Members in all parts of the House. There was a degree of consensus on apprenticeships. The hon. Member for Newcastle upon Tyne North (Catherine McKinnell) and my hon. Friends the Members for Harlow, for Worcester (Mr Walker) and for North Swindon (Justin Tomlinson) talked about the important opportunities provided by the increase in apprenticeships. I was particularly impressed to hear about the apprenticeships fair being organised by my hon. Friend the Member for Worcester and the increase in apprenticeships that my hon. Friends the Members for Burnley (Gordon Birtwistle) and for Eastbourne (Stephen Lloyd) have managed to achieve by working with businesses in their areas.

There was some debate about the numbers involved. This is only the second time that I have been able to address the House on apprenticeships. The first time was towards the beginning of this Government's time in office, when Labour Front Benchers pressed me on whether our target of 50,000 apprenticeships in our first year would be hit. I was rather nervous about responding to that, and I said that I hoped it would. I could not have told the House then that we would not just hit it but do it twice over, doubling our target with 100,000 new apprenticeships in our first year—a record that we are proud of. There is a lot of enthusiasm among workers and businesses up and down the country for our approach to apprenticeships.

There was also some debate about the quality of apprenticeships—an important issue. We aspire to ensure that the apprenticeship is the gold standard approach to vocational training. We want to ensure that in putting this investment into the apprenticeships scheme, we manage to reshape it. I have talked about the idea of access to apprenticeships to ensure that people who are unable to persuade employers to take them on have the chance to experience that learning. We also want to look at higher apprenticeships.

Mr Thomas: If the hon. Gentleman aspires, as he says, to high-quality apprenticeships, why is he part of a Government who have abolished the apprenticeships guarantee?

Mr Davey: We are doing a lot better than under the apprenticeships guarantee. The hon. Gentleman should have apologised for his motion, because, as my right hon. Friend the Minister for Universities and Science clearly showed, it does not tell the real story—the success story—about apprenticeships by suggesting that it is a negative story. The truth is that the absolute number of all apprenticeships is up, as is the absolute number of young people on apprenticeships.

I am afraid that there was some misunderstanding of that success story, despite the support for our overall policy. That is not surprising, in a way, because Labour's record is surprisingly poor in this respect. As my hon. Friends the Members for Wirral West (Esther McVey) and for Solihull (Lorely Burt) said, under Labour youth unemployment increased by 40%, and the number of NEETs increased. One of the most surprising facts is that as the number of NEETs was increasing under the Labour Government, it was falling internationally, so we fell behind Hungary, Greece and the Slovak Republic in what we were doing for the most vulnerable young people in our society. That is not a record for Labour to be proud of.

Mr Denham: The hon. Gentleman made a big point about statistics. Does he accept that the size of the cohort of young people rose massively during the years when Labour was in power, and that that is why we are right to say that up until the recession the rate of young people not in education, training or employment fell?

Mr Davey: The right hon. Gentleman will not admit that the percentage of unemployed young people increased. That takes account of all the issues that he is trying to wriggle out of.

There were complaints about parts of the coalition's policies, particularly on education maintenance allowance. We heard impassioned speeches from the hon. Members for North West Durham (Pat Glass) and for Scunthorpe (Nic Dakin); they both have a lot of knowledge in this area and I listened to them intently. The hon. Member for North West Durham said that she was particularly concerned, rightly, about the outcomes of the most disadvantaged. However, she failed to recognise that our reforms—our different approach—to EMA will mean that more resources are targeted at the most disadvantaged. The 12,000 most disadvantaged young people will get up to £1,200 in a bursary that will help them more than EMA managed to do. I am afraid that her criticism ought to be of the Labour Government.

Two of the coalition's policies that are vital for young people did not receive the attention they deserved. The first of those is a policy that we should celebrate across this House because it was introduced by the previous Government—increasing the participation age in education and training. We had to make a difficult decision during the spending review about whether this Government would be able to find the funds to continue with that policy. It was a real challenge, but we found the money despite the problems. The shadow Secretary of State complains that we have somehow targeted young people

[Mr Davey]

in our policies, but nothing could be further from the truth. Despite the financial situation, we are going forward with raising the participation age in education and training to 17 in 2013 and to 18 in 2015. We should be proud of that policy. We have gone further than the previous Government did. We have increased the number of trials to ensure that the roll-out of the policy is more effective, and we have freed up local authorities to come up with new, more imaginative ways to deliver on it. These are the sorts of policies that will bring real opportunities for the most disadvantaged in our society.

Secondly, there are the reforms to vocational education that we plan to take forward following the report by Professor Alison Wolf. She shook up the cosy consensus that was allowed to develop under the previous Government and made it clear that things were not all hunky-dory and that we needed to back apprenticeships, which the Government were doing, but also, crucially, to increase the quality of vocational education and ensure that those on such courses still managed to achieve basic skills in maths and English. This Government will take forward her recommendations because we believe that that will make a real difference.

We have discovered a number of things today. We have discovered that there is agreement across the House that issues of youth unemployment and the need to increase opportunities for young people are a challenge and a problem, and have been for many years, and that many of the Government's policies, particularly on apprenticeships, are a real way forward in tackling them. We have discovered that things got worse under the Labour Government, particularly for the most disadvantaged young people. We have discovered that, despite the rhetoric of Labour Members, this Government are determined really to do something for young people and to put social mobility at the heart of our plans to succeed where the previous Government failed.

Question put.

The House divided: Ayes 234, Noes 297.

Division No. 348] **[6.58 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
O'Donnell, Fiona
Onwurah, Chi
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris

Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mr David Hamilton and Lyn Brown

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bradley, Karen
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Kelly, Chris
Kennedy, rh Mr Charles
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Patel, Priti
Penning, Mike
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David

Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Soames, rh Nicholas
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
James Duddridge and Norman Lamb

Question accordingly negatived.

Careers Service (Young People)

7.15 pm

Andy Burnham (Leigh) (Lab): I beg to move,

That this House believes that the Government should act urgently to guarantee face-to-face careers advice for all young people in schools.

The motion is in my name and that of my right hon. Friend the Member for Southampton, Itchen (Mr Denham). The House this afternoon debated the challenges facing the coming generation; this evening, it is right to consider how, as a society, we help all young people to face up to those challenges, and how we give them the advice and support that they will need to find their way in a changing and highly competitive world.

It would seem that our debate is well timed. After today's bombshell from the Boundary Commission, perhaps a few more of us all of a sudden have a keener interest in preserving a good-quality careers service. However, our woes are nothing compared with the dejection, disappointment and sheer hopelessness that many of our young constituents are experiencing. Jobs are getting harder to find, with close to 1 million young people now unemployed. Many are struggling to stay in education or training with the loss of education maintenance allowance and local authority travel grants. For a growing number, university is quite simply no longer seen as a realistic option.

Not surprisingly, some young people are feeling lost and do not know where to turn. Some are able to fall back on strong families and family connections to open doors, but that is not available to all young people. Those who feel lost need good careers and life advice more than ever.

What is the Government's answer? Having kicked away the ladders of support—the EMA, the future jobs fund and Aimhigher—they are now pulling up the drawbridge, leaving young people alone in the dark to fend for themselves. Let me say at the beginning that this debate is not about preserving the status quo, and nor is it special pleading for the Connexions service. The previous Labour Government commissioned a report that highlighted problems with that service and we accepted that there were areas where it needed to improve. I have not come to the House tonight to say, "Nothing must change."

The Opposition have previously said that we have no real disagreement with the Government over their vision for an all-age careers service. However, with every day that passes, it becomes less likely that the Government's vision will ever become a reality, because careers services are disappearing, advisers are being made redundant, and young people are being left in the lurch. Schools are being given the statutory responsibility to provide careers advice, but no money to do so. It is a complete mess. Ministers promised a transition plan months ago, and tonight we ask them this simple question: where is it? They are treating dedicated careers professionals with contempt, and owe them the courtesy of some answers. That is why the Opposition have brought Ministers to the House this evening.

We appreciate why the Minister for Further Education, Skills and Lifelong Learning is not here today—the Opposition wish him well—but why is the Secretary of State for Education not leading this debate for the

Government? Where is he? I say this to the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb): what is more important when young people all over the country face the difficulty of finding a job, uncertainty about their futures and worries about the cost of education? What could be more important than the Government ensuring that those young people have access to good advice? Why is the Secretary of State not here to answer those concerns?

The Minister of State, Department for Education (Mr Nick Gibb): My right hon. Friend sends his apologies to the House, but he is meeting 100 outstanding head teachers in Nottingham who have travelled there to meet him to discuss the opening of the first 100 teaching schools. That is why he cannot be here. If it had not been for that, he would have been here.

Andy Burnham: I thank the Minister for his reply, but debates in the House used to be more important than that. This is an urgent situation facing the careers service in this country. This is more urgent and it needs to be addressed by the Secretary of State. We need him to provide leadership. Frankly, he has provided none to date on this important issue. On his watch, the careers service in England has gone into meltdown, which is unforgivable considering all the pressures on young people today. He has shown next to no interest in this subject and has his head permanently stuck in an ivory tower. Instead of obsessing about Oxbridge, he needs to start engaging with the real world and the challenges that young people face in trying to get on in life.

Derek Twigg (Halton) (Lab): My right hon. Friend is right to pay tribute to dedicated careers professionals, who do a superb job, but is there not complete confusion over who provides advice to young people and those not in education, employment or training? Also, where has the money gone?

Andy Burnham: My hon. Friend asks a good question. In opposition, the Conservative party produced a manifesto for careers that spoke of £200 million being allocated to an all-age careers service. As well as asking this evening where the transition plan has gone, we might pick up the question that my hon. Friend has just asked: where has the money gone? Schools have not been given any extra money to provide a new careers service and to fulfil the statutory responsibility that the Government want to place on them. How can it be right at this time to ask schools to do more and then not give them the money to do the job for young people? It is utterly disgraceful.

Alok Sharma (Reading West) (Con) *rose—*

Andy Burnham: I give way so that the hon. Gentleman can apologise for that.

Alok Sharma: I was rather hoping that the right hon. Gentleman would apologise, as his colleague the shadow Chancellor did yesterday, for the mess that the Labour party left this country in. The right hon. Gentleman asked where the money has gone. His Government managed to spend it. As he knows, his colleague, the right hon. Member for Birmingham, Hodge Hill (Mr Byrne), left a note at the Treasury saying, "There is no money left." There he has his answer. He should talk to his own colleagues, not lecture the rest of us.

Andy Burnham: The Conservative party has to change the record. The hon. Gentleman stood for young people's votes—

Alok Sharma *indicated assent.*

Andy Burnham: He is nodding. He promised them the education maintenance allowance, did he not?

Alok Sharma *indicated dissent.*

Andy Burnham: He saw his Prime Minister make a personal promise to those young people that they would continue to have their EMA. He also stood on a manifesto promising £200 million for an all-age careers service. If he could not deliver those promises, should he not now apologise to the House for seeking the votes of young people in his constituency on a false premise? That speaks for itself.

Our motion is deliberately broad so that we do not get drawn into a debate about the merits of one service versus another. I have said that we are prepared to support the Government in their vision for an all-age careers service. We want to work with the Government to make that service as good as it can be so that it is fit for purpose in these times and for the challenges facing young people. The motion is simple, then, and makes two requests. I might say in passing that it is drawn directly from the report, published in the summer, to the Prime Minister and the Deputy Prime Minister from the advocate for access to education, the right hon. Member for Bermondsey and Old Southwark (Simon Hughes), who I am pleased to see in his place. In fact, the motion repeats the words of his recommendation verbatim. I hope, therefore, that he can support us this evening, given that the motion is his own recommendation—but I know now not to come to any such conclusions where he is concerned.

Our motion makes two simple requests to the House. First, as Members of Parliament standing up for young people in our constituencies, we ask the Government Front-Bench team to get a grip on this mess—*[Interruption.]*—to stop messing around on their BlackBerrys and to stop going off to attend other events around the country. They need to get a grip on this mess, publish the transition plan, show some leadership for once in their lives and get on with the job of standing up for young people. Secondly, we want the House to send a clear message that we have high expectations of what we expect all young people in this country to get and that we want them to have face-to-face advice.

We hear that the Government want to downgrade the quality of careers advice to a phone or web-based service. The national careers service will be a phone or web-based service! It seems that this cost-cutting drive has been partly driven by the raid on the careers budget, to which my hon. Friend the Member for Halton (Derek Twigg) alluded, which the Government made having been forced to make a partial U-turn over EMA. I want every Member to ask themselves whether they think that a remote and impersonal phone or web service is

[Andy Burnham]

good enough. Would that be good enough for their own children when they are making life-changing choices and considering their options?

Mr John Redwood (Wokingham) (Con) *rose—*

Andy Burnham: I hope that the right hon. Gentleman can answer that question.

Mr Redwood: I have a lot of sympathy with the idea of high-quality careers advice, and I am listening with great interest. However, could the right hon. Gentleman tell us exactly how the Secretary of State could guarantee face-to-face advice and what it might cost?

Andy Burnham: The Secretary of State could guarantee it by amending the Education Bill, which is in the House of Lords at the moment—

Alok Sharma: What about the cost?

Andy Burnham: I will come to that in a moment.

The Secretary of State could guarantee it simply by inserting the words "face-to-face". Indeed, my hon. Friend the Member for Hartlepool (Mr Wright), the shadow young people's Minister, introduced such an amendment to the Bill on Report. I find it extraordinary that Government Members can troop through the Lobby to vote against face-to-face advice for young people. [HON. MEMBERS: "And the cost?"] As I said a moment ago, the cost was put forward by the Conservative party. It costed its own all-age—*[Interruption.]* I am trying to answer the question. The Conservative party promised and costed a fully funded, all-age careers service which maintained those currently employed in the Connexions service. It promised £200 million.

Nick Boles (Grantham and Stamford) (Con): Where has the money gone?

Andy Burnham: Exactly, what have the Government done with that money? Where have they spent it? Those are questions for the hon. Gentleman to answer, not me.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I correct my right hon. Friend? Is it not a fact that face-to-face careers advice will be available? It will be available in the public schools, the independent schools and the most elite and privileged schools in the country; it just will not be available to most schools.

Andy Burnham: That is the point, is it not? This well-connected Cabinet think that everyone's lives are like their own and that everyone can just call on a friend, uncle or whoever in a law firm or in the City. Sure, they will open a door—ring them up and they will give the advice. They live in a world, and constituencies sometimes, where that advice is readily available through informal family networks. They probably do not see the need for careers advisers. They have used them themselves, but do not see the need for them. However, there are many young people in the constituencies that we represent who cannot draw on those family networks and connections, who do not have role models to whom they can go and who perhaps have never had family members in the professions. They are the ones who need help to enter these closed worlds run often by a self-perpetuating elite.

Yasmin Qureshi (Bolton South East) (Lab): Is my right hon. Friend getting a bit sick and tired of Government Members talking about money issues, given that they will be wasting £3 billion on an unnecessary reorganisation of the NHS and £100 million on unnecessary unelected police commissioners? If they can find money for that, why can they not find a few hundred million pounds for these services?

Andy Burnham: My hon. Friend puts her question very well. The Government have got their priorities completely and utterly wrong. If I were a young person watching these proceedings tonight, I would be asking why since the coalition Government came to power they had singled out young people for this barrage of cuts. Do they think that young people are an easy touch? I do not know, but that is what I would be asking if I were them. I would also be asking what an elected police commissioner was going to do to improve life in the community. Very little, I would suggest. I return to the point that I was making earlier. If Government Members do not think that an impersonal, remote service is good enough for their children, they should not accept such a service for anyone else's children in their constituency.

Mr Graham Stuart (Beverley and Holderness) (Con): As my right hon. Friend the Member for Wokingham (Mr Redwood) said, everyone in the House would like to see high-quality careers advice, but a little humility might be required all round, not least from representatives of the previous Government, under whom the number of young people not in employment increased in this country despite the fact that it fell in other OECD countries. Furthermore, as their own report showed, at the end of their term in office, the standard of careers advice for young people was palpably poor. Does the shadow Secretary of State agree with the Government's intention to take the decision making down to school level and let the school decide what is most appropriate? In many cases, that will involve face-to-face advice, although I do share his desire to see greater resources allocated to that.

Andy Burnham: I thank the Chair of the Select Committee for his question. He calls for humility, but I acknowledged at the beginning of the debate that we did not get the Connexions service perfect and that we were prepared to work with the Government. I pay tribute to him in leading the Select Committee's production of a very good report that comes to the right conclusions on this issue. It is possible for schools, with sufficient support, to provide face-to-face advice, although I do not think that he or I would want to go back to the days when the PE teacher or some other member of staff was responsible for giving careers advice and did not do a particularly good job of it. We need independent, good-quality, face-to-face advice.

There is an important point to be made about conflicts of interest. At 16, young people face choices about whether to go on to further education college or sixth-form college, or whether to stay at their school. It is important, in the highly competitive world that the Government

are creating, that the careers adviser in the school should not have a vested interest in advising the young person to stay there if that would not be the best option for them. That needs to be thought through, but, without a transition plan, we have no means of judging what will happen. The Government have simply not provided us with any detail.

Jeremy Corbyn (Islington North) (Lab): I agree with what my right hon. Friend is saying. Is he aware that a generation of young people will get no support or advice this year or next year? In particular, children whose parents' first language is not English have no opportunity to talk to them about their options. What those children need is not a school-based service but an independent, professional service that can assess them in the round and give them support, help and, above all, inspiration. They will not get much inspiration from trawling a website.

Andy Burnham: My hon. Friend speaks with customary clarity on these issues, and tells us what life is like for the young people he represents, many of whom might be new arrivals in this country who do not understand how young people can open the doors to education, training and jobs. He has put his finger on the problem. The Government take the view that schools can do everything, and that everything can be pushed down to the schools. Some things need to be organised across the whole local authority, however, if we are to maintain quality and expertise.

I am prepared to believe that schools could provide the necessary advice, but the transition process needs to be managed so that the experts who are currently working for the local authorities can be brought into the schools to provide the advice from those schools. Instead, this lot are allowing those people to be let go and made redundant, even though they have many years experience in the careers service. They are being lost to the profession, and in a few months' time the schools will be expected to subscribe to a phone or web-based service.

Government Members might think that this is funny, but I do not. We are talking about young people's life chances, and those young people deserve better than what the Government are giving them. We owe them more, because the world that they are facing is far harsher than the one that we lived in 30 or so years ago. Young people today can expect to have at least 10 different jobs throughout their careers—probably more. Unlike their grandparents, who did specific jobs in large industries, they will be most likely to work in smaller companies. They will need to be all-rounders, able to adapt quickly to new situations. It is also more likely that they will be employers as well as employees.

The harsh truth is that it is getting harder for everyone to get on, but the odds are being stacked much more heavily against those who have the least. If we do not act, this century will see us return to a world in which the postcode of the bed that people are born in will pretty much determine where they end up in life. In today's world, as traditional structures break down, social networks and connections are becoming the key to jobs and opportunities. In some industries—sadly, we can count Parliament among them—it has become almost expected that a young person will have to work for free before they can get their first foot on the ladder. That is wrong; it is the exploitation of young people's determination to get on.

If we allow the situation to continue in which there is no careers advice and in which the only way in is through having a connection with a company or organisation and moving to London to work for free, we will limit the job opportunities in the most sought-after careers in the country to less than 1% or 2% of the population. That is not a situation that I am prepared to accept. Parliament needs to step in and level up the playing field, to ensure a fair distribution of life chances around the country. We need to help those young people who have the least.

A statutory careers service is important because not all young people get the same support and advice at home. Dame Ruth Silver, chair of the Careers Profession Task Force, says of the Government's approach:

> "It will further deepen deprivation, because some people come from families who have never worked; the ones who need it most are those who don't have successful adults in their lives."

Neil Carmichael (Stroud) (Con): The shadow Secretary of State rightly talks about levelling up the playing field. Does he acknowledge the concerns expressed by Dr Alison Wolf about courses leading to no employment, or leading to a "road block" because they are not allied to any specific employment prospects?

Andy Burnham: I have some sympathy with that argument, but it is an argument for more and better careers advice, not less. We have some sympathy with the view that we need to ensure that all qualifications should be of a decent standard and should lead somewhere. We accept that view and we will support the Government in that regard, but that is not an alternative; we still need good quality careers advice alongside those routes. I feel passionately that, collectively, the whole lot of us here have failed the 50% or more of young people who are not going to go down the university route. We have not done enough to provide them with a proper structure or a proper route through to good qualifications and a good job, and it is about time that we addressed that balance. It is about time that this House, rather than focusing on the top 20% and the English baccalaureate, thought about a pathway for all children, so that they can all fulfil their potential.

Elizabeth Truss (South West Norfolk) (Con): If the right hon. Gentleman thinks it important that all students have a pathway, why did the Labour Government remove the modern foreign language requirement in 2004?

Andy Burnham: The hon. Lady was not here at the start, and I am not sure whether she has heard the whole debate. Her point does not quite fit. We want young people to make the right choices for them. We should strongly encourage the teaching of foreign languages, particularly in primary schools, but they will not be right for all young people. The question I would ask her is this: why are young people who want to do engineering, information and communications technology, business studies, economics, music, art or other creative subjects being told that they are somehow second best because those subjects are not in the English baccalaureate? What is it that justifies the Government ranking some subjects above others—and, by definition, ranking some children above others?

Neil Carmichael *rose—*

Andy Burnham: I give way one last time to the hon. Gentleman.

Neil Carmichael: Following the right hon. Gentleman's response to my previous intervention, will he shed some light on his view on the need to involve employers in creating the courses and qualifications that lead to outcomes for young people? One thing Professor Alison Wolf made very clear is that employers should be much more involved in the FE sector and in the formation of courses and qualifications.

Andy Burnham: The hon. Gentleman makes another good point. I agree with him, but urge him, perhaps when the Minister is speaking, to stand up and ask his Front-Bench team what discussions they had with the CBI before they introduced the English baccalaureate. What is the CBI's view of it? Does it respond sufficiently to the needs of employers. I see the hon. Gentleman nodding and I hope he will direct those questions to his Front-Bench team. Quite frankly, we risk preparing young people for a world that no longer exists and we need to ensure that young people have the crucial skills—good communication skills, critical thinking and good presentational skills—that they will need if they are to survive in a workplace where much more is demanded of them.

The Minister for Further Education, Skills and Lifelong Learning is not in his place this evening, but when we last debated these issues he said:

> "Let us once and for all kill off the bourgeois, left assumption that working-class people do not aspire to the same things as their middle-class contemporaries. Their ambitions are the same; what they lack is the wherewithal."—[*Official Report*, 11 May 2011; Vol. 527, c. 1257.]

I agree with that statement. Let me share a shocking statistic with the House; I genuinely find it appalling. It is that 39% of 16 to 19-year-olds who went to a state school say that they do not know anyone in a career in which they would like to work. This rises to 45% among the poorest young people who receive free school meals. What Ministers fail to recognise is that if someone does not know a single person in a career in which they would like to work, they might not be able to fulfil their aspirations in the same way as others.

Kerry McCarthy (Bristol East) (Lab): What my right hon. Friend has just said ties in entirely with what I am about to say. Three of my nephews came to do their work experience here; they are mixed-race lads from council estates in Luton. One of their friends—they did not have an aunt who was an MP—spent the night as a security guard in a factory where his dad sat watching telly all night, walking around the building once an hour to check that no one else was in the building. Another friend did his work experience at Costa Coffee. That was because they did not know anyone who worked in professions to which they could aspire. It is important for career advisers not just to try to get people into internships, but to encourage young people through early work experience placements to stretch their horizons and make connections with people in the professions.

Andy Burnham: My hon. Friend makes an excellent contribution; she puts her finger on the problem. I hear anecdotally that, increasingly, schools are saying to young people, "Can you sort out your own work experience? Is someone in the family able to give you an opportunity?" I understand why they might say that because there are lots of pressures on schools, but that highlights the dangers of what is being created. If we live in a world where people say, "The schools do it; we'll leave it up to them", that can reinforce low expectations. It is basically telling kids that they cannot break out from their family circumstances because they will dictate what they have experience of and where they will set their expectations. That is what is so wrong about that approach—this random laissez-faire approach to this crucial issue.

My hon. Friend and other Opposition Members will remember a report by Alan Milburn on fair access to the professions during the last Parliament. He made the point that we need to do the reverse—take those young people who have no connection with the powerful worlds of the professions and transplant them into those worlds. We need the highest quality careers advice and work experience for those young people. As the Opposition develop our policy, that is exactly what we should aspire to deliver—alongside excellent careers advice, of course, which has to be impartial, independent and personalised.

Simon Hughes (Bermondsey and Old Southwark) (LD) *rose—*

Andy Burnham: I agree, just as I did with the Education Committee report, with much of what the right hon. Member for Bermondsey and Old Southwark said in his report. I look forward to hearing what he has to say and to his support for our motion.

Simon Hughes: May I absolutely endorse the comments of the hon. Member for Bristol East (Kerry McCarthy)? All the evidence from my conversations around England in the early part of this year showed that there was not only very poor careers advice for many young people, but really poor work experience. In a difficult economy, the chances of getting a job from 16 onwards are, to put it bluntly, reduced horribly for those who do not have work experience.

Andy Burnham: I agree completely, but the right hon. Gentleman is in a position to do something. I say that not to make a party political point. In some ways, this is not the most headline-grabbing of debates. We are raising this issue out of a genuine concern about what is happening to the careers service and what it might do to damage the life chances of some young people. He has produced what I consider to be a very good report for the Prime Minister and the Deputy Prime Minister, but if Government Members troop through the Lobby against this motion tonight, where does that leave the advice he is giving to the Government? Is he happy about that? There has to be a change.

Simon Hughes: I will obviously wait to hear the Minister and I hope to be called to speak. My hon. Friend the Member for Burnley (Gordon Birtwistle) said to me earlier that this is exactly the sort of issue where we should avoid party politics and seek a consensus. I commit myself again, as I have said to the right hon. Gentleman and to ministerial colleagues, to doing so, even if it is sometimes very hard work to get us all in the same place. Careers, work and work experience seem to me to be issues on which there is much more than a party interest in getting to that right place.

Andy Burnham: I agree again with what the right hon. Gentleman says. If there is some passion in my voice tonight, it is because I am standing up for people to have a careers service that is under attack. It is quite simply going before our eyes. It is no good saying complacently "let us find consensus" complacently; we need to say that the issue is urgent and it needs to be got a grip of right now. Otherwise, the damage will not be reparable. That is why I continue to point out what I consider to be unacceptable complacency on the part of the Government Front-Bench team. It promised us a transition plan on how this responsibility would be managed as it moved from local authorities to schools and on how we would ensure that we do not lose professionals. This plan has been promised for weeks and weeks and weeks. Every day that passes, more and more damage is being done to the careers service. I say to Government Members who worry about these issues that the time has come for them to start holding their own Front-Bench team to account.

I agree with much of what the Minister for Further Education, Skills and Lifelong Learning said when we discussed the Education Bill on Report:

"I find it inconceivable, or at least unlikely, that best practice will not include face-to-face provision."—[*Official Report*, 11 May 2011; Vol. 527, c. 1257.]

If that is the Government's view, why do they not guarantee it for all young people? The aim must be to give a basic minimum to all young people. I have to say that the Government are in danger of looking seriously isolated on this issue. The Education Select Committee—I mentioned its report a few moments ago—highlighted the need to protect face-to-face guidance. When a Committee is chaired by a Conservative Member—the hon. Member for Beverley and Holderness (Mr Stuart) is no longer in the Chamber—and it makes that direct recommendation to the Government, one would expect them to do him the courtesy of making a proper response.

The hon. Member for Wirral West (Esther McVey) put it this way when we last debated these issues:

"We must not lose the knowledge on the internet, but we must also not lose those people and their personal knowledge. We cannot let something so vital slip through our fingertips when it was within our grasp and when we had the ability to save it."—[*Official Report*, 11 May 2011; Vol. 527, c. 1249.]

Voices are speaking from the Conservative Benches, which I do not think Ministers can or should ignore, but the careers service is slipping out of our grasp.

Research conducted by the university of Derby and Unison reveals that just 15 councils are retaining a substantial universal careers service. More than 4,000 careers advisers have already lost their jobs and 50 councils have closed their Connexions centres completely. This expertise is being lost. According to the university of Derby,

"the current environment is having a potentially disastrous impact on the careers profession."

In a speech in November 2010, the Minister said:

"As we go about this, it's important to recognise that we're not starting from scratch. On the contrary, we will build on Next Step and on Connexions because we must not lose the best of either."

But that is exactly what is happening. We are losing the best of what we have, and this gross mismanagement is simply unforgiveable. It could damage the life chances of up to 2 million young people, as the Association of School and College Leaders has estimated. Young people appear to have been sidelined from the Government's plans for a national careers service; the Education Bill transfers the responsibility, but not the £200 million that they were promised. Ministers need to tell us tonight what has happened to that money, what is available for the new national careers service and when it will be made available to save these services. Schools have a statutory responsibility to provide a service, but it is absolutely clear that if they are not given the guidance or the money, these services will be of a substandard quality.

The Government have provided no transition plan, no funding, no clarity and no guarantee of face-to-face advice. If they vote against our motion, they will be completely isolated. They have not tabled an amendment—an alternative—which in itself illustrates their sheer absence of ideas on how to take this issue forward. If their own advisory group cannot support them, what does that say about the position the Government are in? In August, the entire careers advisory group considered resignation, because it wanted to protest at the situation that it had been left in. These people did not resign, but they must now be listened to if the Government are to retain any credibility on this issue.

In conclusion, I am proud that it is Labour Members who have spoken up for young people and for a service in crisis. I know that many careers professionals will have been watching this debate, and I am sure that many feel utterly demoralised and undervalued right now. If nothing else, I want them to know tonight that, on this side of the House at least, we appreciate what they do for our young people. A bit of recognition is due, and Labour is proud to give it to them.

However, we also know now what we are up against. This is a Government who have a brutal approach to public service reform, and who are too lazy or too arrogant to produce a transition plan for the careers service. We have Education Ministers who like to focus on the elite—on Oxbridge—when the kids who have least are left to fend for themselves. The fact is that some young people cannot call on well-connected families to open doors. When a family does not have role models or where there is little family experience of what it takes to break into the professions, young people need youth workers, careers advisers and personal advisers to help them open those doors.

Just a few short weeks ago, this House reconvened to discuss the summer disturbances. Many theories were put forward on that day to explain what had gone wrong with our young people to make some of them act in that way. Of course we will continue to debate those things, but I suggest to the House something simple that all young people need, regardless of their circumstances—hope. They need hope of a job and hope of a better life, but that hope is being taken from them. So my appeal tonight goes beyond the Government Front-Bench team and to the House as a whole: is it not about time that this Parliament started standing up for young people? How much longer will we tolerate this attack on aspiration? Let us say tonight that enough is enough. That is why I urge the House to support our motion.

7.53 pm

The Minister of State, Department for Education (Mr Nick Gibb): I am delighted to be able to respond to the right hon. Member for Leigh (Andy Burnham).

[Mr Nick Gibb]

I had thought that this might be a policy area where the differences between us were slight enough and that he would not feel the need to overstate his case. Alas, that hope has been dashed. My right hon. Friend the Secretary of State would have liked to respond to the right hon. Gentleman but, as I mentioned earlier, he is in Nottingham meeting 100 head teachers to discuss the future teaching schools. I hasten to add that 100 people is more than the number of Labour Members in the Chamber right now, and this is an Opposition day debate. The Minister for Further Education, Skills and Lifelong Learning would also have liked to have responded to the right hon. Gentleman, but he has just undergone minor surgery and is recovering in hospital. He sends his best wishes and wanted me to pass on his apologies to the House for the fact that a lesser orator than he is responding.

It is hard to listen to the right hon. Gentleman when he clamours for £200 million here and £200 million there, given that he was in the Cabinet of a Government who left this country with the largest budget deficit in the G7 and interest payments of £120 million a day, leaving the country on the brink of financial collapse. That is why we have had to take some very difficult decisions. Until Opposition spokesmen acknowledge that point, nothing they say on public spending will have any credibility.

Andy Burnham *rose—*

Mr Gibb: I will make this final point and then I will give way to the right hon. Gentleman. I dread to think of the damage that would have been done to young people's prospects had Labour won the last election and plunged our economy into a crisis such as those that Greece and Ireland have faced.

Andy Burnham: This evening, will the Minister at least tell us where the money has gone? Was the careers budget in the Department raided to pay for the patched-up version of the successor to the education maintenance allowance that the Government were forced to cobble together?

Mr Gibb: As I just mentioned, the £200 million to which the right hon. Gentleman is referring would pay for two days' interest on the debt left by his Government. In addition, we have put extra funding into tackling post-16 deprivation and providing help for those who need additional support: we increased that by a third, to £750 million. That is how those sums have been prioritised by this Government.

Derek Twigg: Following on from that point, will the Minister tell us what money is actually being given to schools to provide careers advice? I would particularly like to know the answer in respect of Halton, which is one of the most deprived areas. Does how good the careers advice is just depend on what money is in school budgets now? Is this a lottery?

Mr Gibb: Despite the appalling state of the public finances that we inherited, we have managed to ensure that school funding is maintained, in cash terms, at a consistent level over the next four years. That is despite the fact that we inherited a budget deficit of £156 billion. We have also allocated a significant sum to the pupil premium, which is worth at least £430 per pupil qualifying for free school meals this year, and the figure will rise to £2.5 billion by 2014-15. These are the extra sums that we are putting into schools, at a time when our public finances are in a dire state.

Derek Twigg: Let us be clear about this, because the Minister is trying to avoid the question and we should not forget that we are talking about £200 million. What extra is specifically being given to schools for careers advice?

Mr Gibb: This Government are not involved in ring-fenced budgets for schools. We have de-ring-fenced a large number of budgets into the dedicated schools grant, so that head teachers and teachers can decide how that money is allocated within the priorities of their school. That is the approach that this Government are taking to public spending in the schools sector.

Jeremy Corbyn: Can the Minister tell us how many secondary schools are providing careers advice, what means he has to survey what they are doing, and how many of the 100 "super heads" who are meeting the Secretary of State this evening are providing careers advice?

Mr Gibb: The hon. Gentleman is asking me to provide a critique on the state of careers advice in this country today. I will come to that, because his party's record is not one of which he should be proud. The Labour party has just been in power for 13 years and the state of careers advice today is a consequence of what happened during those 13 years, not of what has happened during the first 16 months of this Administration. Hon. Members in all parts of the House agree on the importance of pupils receiving good quality advice and guidance to help them make the right choices for their future; that is particularly the case in these difficult economic times. We have recently seen a welcome reduction in the proportion of 16 to 18-year-olds who are not in education, employment or training—it has fallen from 9.4% in 2009 to 7.3% in 2010—and rises in the number of 16 and 17-year-olds in education. The youth labour market is also tightening, with unemployment for 16 to 24-year-olds who are not in full-time education growing each year from about 420,000 in 2004 to its current level of 671,000. The premium on achievement in particular vocational and academic qualifications demanded by employers and universities means that making the right choices becomes ever more important, and the consequences of making the wrong choices are ever more damaging.

Liz Kendall (Leicester West) (Lab): The Minister is talking a lot about 16 to 18-year-olds, but does he agree that if we are going to raise aspirations we need to start young? Will he agree to look at some of the good work that Leicester Connexions has done with Folville primary school in my constituency? Parents and pupils have been brought together when the children are still really young to talk about what careers options might be possible. The events were really well attended—much better attended than many other events involving parents run by the primary school. Does the Minister agree that the new system that his Government are proposing must support and fund initiatives that start at such an early age?

Mr Gibb: I could not agree more. We want to promote such best practice and we want schools to be innovative, but to do that they need control of their own funds. We have tried to de-ring-fence funds and to delegate and devolve decision making on funding to schools so that they can engage in such innovative activity. We have also de-ring-fenced the early intervention grant for local authorities, which now stands at £2.2 billion. That means that such initiatives can be undertaken by local authorities to tackle the very vulnerable people about whom the hon. Lady is talking.

Liz Kendall: The problem with the early intervention grant is that, in Leicester, it is being cut by £5 million this year. The Minister says that the Government are not ring fencing things, but I am not arguing for that. I am saying that there will be less money for such innovative projects, and I am asking what the Government are going to do about it.

Mr Gibb: The hon. Lady makes a valid point. We de-ring-fenced all the components that make up the early intervention grants, and that funding is £2.2 billion, rising to £2.3 billion next year. That is a very large sum. I acknowledge that we had to reduce it by 10.9% as we moved into the coming year, but that is a consequence of the many very difficult decisions we have had to make in government as a result of the budget deficit. I am sorry to sound like an over-wound gramophone, but those are the consequences of being in government and of inheriting a budget deficit that had to be tackled if we were to get our economy moving again. Young people suffer more than any other group in society when an economy is floundering, and we are in the middle of a very difficult world economic crisis driven by world debt, so we have to get our budget deficit under control if we are to survive as an economy through such difficult periods. I think the best thing for young people is to get our economy growing as soon as possible. That is why we have had to make those decisions.

Local authorities currently have a duty to provide careers advice, and they fulfil that duty through the Connexions service—a service that has, I am afraid, had mixed reviews. The Education Committee's report said, in measured terms:

> "Connexions services have provided careers guidance to individuals alongside wider support services targeted, in general, at more disadvantaged groups; and some Connexions services have been more successful than others in discharging these two duties equally successfully."

Alan Milburn, who was referred to by the right hon. Member for Leigh, was a little less circumspect in his report on access to the professions when he reported a number of surveys that suggested low levels of satisfaction among young people with the careers guidance they received from Connexions, showing that 45% of over-14s received either no careers advice or advice that was poor or limited. He went on to say:

> "Throughout our work we have barely heard a good word about the careers work of the current Connexions service."

It is very difficult to listen to the emotional tones of the right hon. Gentleman when that is the legacy of the very careers advice that he is so passionate about providing to young people.

Julie Hilling (Bolton West) (Lab): I find it slightly odd that the Minister is not quoting from the Department for Education survey of 5,000 young people, which found that more than 90% were satisfied with the service that they had received. That survey was carried out by his own Department.

Mr Gibb: I am not sure what service those people were receiving from Connexions, but there is no doubt that all the surveys showed dissatisfaction with the careers advice given by Connexions. There is more satisfaction with the advice that it gives to vulnerable young people on how to get back on track and back into the mainstream, and I acknowledge that that part of the service has been of a higher quality.

Mr Sheerman: Perhaps I can assist the Minister. When I was Chair of the Select Committee, whenever we considered that service we felt that it was very patchy up and down the country. That made us very angry in some circumstances, but it is, I think, called localism.

Mr Gibb: I agree with the hon. Gentleman that the service is very patchy.

Our starting point was that careers advice needed to improve, and I think that there is unanimity across the House on that. We decided to split the provision of careers advice from the provision of advice to vulnerable young people. They are very different disciplines requiring different skills and different knowledge bases, so the decision was taken to provide an all-age careers service—the national careers service. That is the responsibility of the Department for Business, Innovation and Skills, and the service will be up and running from April 2012. I pay tribute to my hon. Friend the Minister for Further Education, Skills and Lifelong Learning for the work that he has put in to delivering that service.

The duty to provide careers advice to young people will therefore be removed from local authorities and transferred, subject to the passage of the Education Bill, to schools from September 2012. That duty will require schools to secure access to independent impartial careers guidance for their pupils in years 9 to 11. As part of the consultation process, we are also considering whether there is a case for extending that duty down to year 8 or up to the age of 18.

Andy Burnham: Will the Minister confirm that it might be independent and impartial advice, but it will not be face-to-face advice? That is to say, the Government's plan is that it will be delivered over the phone or via the internet.

Mr Gibb: The legislation states only that the advice must be independent. We are considering all the issues being raised in this debate, and by my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes).

Stella Creasy (Walthamstow) (Lab/Co-op): I am ever so grateful to the Minister for giving way and for setting out the schedule. What careers advice has he given all the careers advisers who have now lost their jobs because local authorities have had that funding cut and are therefore no longer providing that service? Given that he is talking about the new service not coming on line until April 2012, and that there is no guarantee that it will be provided by individuals face to face, what does he expect to happen to the people who are the experts in this system?

Mr Gibb: Local authorities still have a duty to provide careers advice, because section 68 of the Education and Skills Act 2008 is still in force, and they are required to do so. They are making decisions based on the very difficult financial settlement that we were left with by the previous Administration, but there are good examples of good practice from around the country, including Northamptonshire. In April we published statutory guidance setting out how local authorities should continue to meet that statutory duty under section 68 to encourage and help young people to participate in education and training. We are publishing on the Department's website best practice from around the country.

Julie Hilling: I thank the Minister for giving way yet again; he has been very generous. Will he confirm that the careers advice will be given by professionally trained and qualified careers advisers? Will he also confirm that as soon as the Education Bill goes through, local authorities will retain responsibility just for the NEETs and not for everything else, which will transfer to schools, although schools have not been given any additional funding to provide that independent careers advice and guidance?

Mr Gibb: On the first point, the duty to provide advice to vulnerable young people who face problems in accessing education will remain with local authorities, whereas the duty to provide careers advice is transferring to schools. Of course, schools currently have a duty to provide careers education, within which an element of careers advice is also required. We are introducing that duty in the Education Bill at a time when we are acting to reduce bureaucracy and remove unnecessary duties and burdens from schools to allow them to focus on driving up standards, so the fact that we are introducing that new duty is a signal of the importance that the Government attach to high-quality careers guidance.

We are giving schools that duty for two reasons. First, we believe in the concept of decentralisation and of devolving decision making. We trust schools to take decisions in the best interests of their pupils, and restoring trust to the teaching profession is the cornerstone of our approach to education reform. Some argue, as has been argued today, that schools have an inbuilt bias to advise pupils to stay on in the sixth form regardless of whether it is in their best interests. That is why the Education Bill imposes the duty on schools to give advice that is independent.

Many of the incentives for schools were distorted by the structure of the league tables. Professor Alison Wolf set out this problem in her landmark report on vocational education. She said that false equivalencies have encouraged schools to enter pupils for qualifications that score highly in performance tables but are not necessarily valued by employers—effectively building bad advice into the system. Some qualifications have been proclaimed as being equal to four GCSEs, but they do not provide the broad grounding that students need to progress. As a consequence, some pupils have been encouraged to make choices that significantly reduce their prospects for success in later life.

That is why we are reforming performance tables—to end the damaging impact of false equivalencies, as well as removing perverse incentives in the funding system that have encouraged schools and colleges to offer qualifications that are easier to complete but do not necessarily provide the rigour and quality that students need. We are also introducing destination measures that set out where school leavers go after they leave school—whether into high-quality employment with training, to further education colleges or to university.

Neil Carmichael: The shadow Secretary of State asked me to ask the Minister about the E-bac, and I do so with pleasure because I welcome its introduction. I think it will have a huge impact in improving opportunities for young people. Does the Minister agree that it respects and represents the preferences of many employers and universities in that it encourages students to do the right subjects and get the right range of qualifications?

Mr Gibb: Yes; my hon. Friend makes a very good point. Whatever people say, employers disproportionately employ people with the E-bac subjects among their qualifications.

Our approach is to measure and report on the outputs—on what schools achieve for their pupils. The destination measure will say more about the success of a school's approach to careers advice and will do more to deliver high-quality advice than will any number of detailed regulations.

The second reason for giving schools the duty is that they are best placed to decide what support their pupils need to make the right choices. We have considered carefully the evidence about what works and what does not work in the provision of information, advice and guidance. The approaches that are most effective work because they are part of a wider approach in a school or college that promotes ambition and aspiration, and encourages pupils to think about their future throughout their education. Effective careers guidance is not a one-off event.

There is no single right way; many different approaches work, depending on the precise circumstances of the school or pupil. That is why it is right to leave schools to decide how to provide impartial independent advice. How they choose to do that should be determined by what works for them. In making choices about how to provide impartial advice, they will benefit from independent benchmarks of quality—something that was recommended by the taskforce on careers guidance led by Dame Ruth Silver, which was commissioned by the previous Government and reported to us last year.

Alongside the duty for schools, local authorities will also have responsibility for encouraging young people to stay in education to the age of 17 or 18 by 2015. They are free to determine how best to fulfil that responsibility, taking account of local priorities. That is a duty that local authorities take seriously.

There will also be free online and helpline services for young people, which will be provided through the national careers service from April 2012. The motion mentions a requirement to provide "face-to-face" guidance for every young person, and that was also recommended by my right hon. Friend the Member for Bermondsey and Old Southwark in his report as the advocate for access to education. The issues that he raises in his report are important: making the right choices at the key decision points in a young person's education and career can open or close a lifetime of opportunities. We are still considering all 33 recommendations in his report—not just the one recommendation that has been picked up

by the Opposition—so we are not, at this stage, ruling anything in or out, and we will respond in full to his report in due course.

We also need to recognise that although advice is important, other elements are also fundamental to a pupil's ability to achieve and progress. If a pupil does not have a thorough grounding in the basics of literacy and numeracy, or is not given the opportunity to study the subjects that are the best foundation for progression, the best information and advice in the world will not help that pupil to progress far beyond the constraints that a poor education has put on him or her. The evidence is very clear that the longer someone stays in education, the higher their earnings are and the less likely they are to be unemployed. OECD figures show that the earnings premium resulting from a university degree is between $200,000 and $300,000. People with two or more A-levels can earn 14% more than those without. For those who secure five good GCSEs the chances of being NEET are just one in 40, whereas for those who do not achieve five or more good GCSEs the odds fall to one in six.

For young people who are set on pursuing a vocational route at an early age we are promoting university technical colleges and studio schools, we are encouraging FE colleges to consider recruiting students at age 14 and we are allowing further education lecturers to teach in schools. That is also why we are increasing apprenticeship places for 16 to 18-year-olds, with 102,900 young people starting apprenticeships in the first nine months of this year compared with 117,000 for the whole of the last academic year. That is why we have protected school budgets in cash terms, and why we have ensured that we are funding participation at age 17 by 2013 and at age 18 by 2015. It is also why we make no apology for prioritising resources on funding for early years on the pupil premium in schools and on funding for disadvantaged young people post-16.

Mr Edward Timpson (Crewe and Nantwich) (Con): Perhaps the greatest benchmark for deciding whether we are providing the best careers advice for our children is the advice that we provide to children in care, and we know that the outcomes for children in care, particularly in relation to their education, remain woeful. I welcome the Government's commitment to the continuation of the care-to-work project. However, will my hon. Friend look again—perhaps this could be a 34th recommendation to add to his list—at widening the Frank Buttle Trust quality mark, which provides looked-after children with real confidence that any higher or further education institution that they might want to go into has support and guidance in place for them as a looked-after child or care leaver, to enable them to succeed and achieve their aspirations?

Mr Gibb: My hon. Friend makes some very good points. The gap between looked-after children and the rest of society is unacceptable. The low proportion of looked-after children who go to university—just 6%—is also unacceptable. Looked-after children qualify automatically for the pupil premium, and I am listening carefully to what my hon. Friend suggests.

Adam Afriyie (Windsor) (Con): My hon. Friend is making an incredibly powerful speech, and I have been on the edge of my seat throughout. In Windsor we have some of the best schools in the country, and many eminent and pre-eminent Members of the House have attended one or two of them. What the Government propose is absolutely right: it gives flexibility for schools to decide which type of independent advice they think is necessary for their pupils, but does not rule out the selection of Connexions in future to continue to provide some of those services. Can my hon. Friend confirm that that is the case—that Connexions can continue in the new framework?

Mr Gibb: Yes, my hon. Friend is absolutely right. I am grateful to him for his very sincere comments about my speech. He is right that the purpose of the clause in the Education Bill is to enable schools to buy in, to procure those services—whether provided face to face, online or by other means—for the young people in their care. We want to avoid the scenario painted by the right hon. Member for Leigh of a PE teacher providing careers advice in his spare time. We want to ensure that advice is independent and high quality.

I shall now bring my remarks to an end; I apologise to my hon. Friend the Member for Windsor (Adam Afriyie) for doing so. On funding, schools will make any provision for careers guidance from their overall budget. Schools already have, under the existing legislation that we are amending, a duty to provide careers education, which includes duties to provide impartial careers advice. Schools' budgets are no longer ring-fenced and schools can make, and can fund, careers advice.

We are a Government who believe in high-quality careers advice, which is what our reforms are about. We are acting at a time of fiscal constraint, as a consequence of the state of the public finances left by the last Labour Government. I urge all hon. Members, therefore, to reject any motion tabled by the Opposition on any issue that requires funding, and in particular to reject their motion this evening.

8.21 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): It is a pleasure to be called in this debate. I shall start with a confession: when I chaired the Education and Skills Committee—

Mr Deputy Speaker (Mr Lindsay Hoyle): May I just say that we have nine Members left to speak, and that if the hon. Gentleman limits his speech to eight minutes it will help everybody?

Mr Sheerman: I was going to confess that when I was Chair of the Education Committee I never did an inquiry into careers, but in 2008 I was co-chair of the Skills Commission and we undertook a major inquiry into careers. Lord Boswell, Baroness Sharp and I were on the commission and we produced an all-party report, "Inspiration and Aspiration: Realising our Potential in the 21st Century." Dame Ruth Silver, whom the Minister and anyone who knows anything about careers will know, the former principal of Lewisham college, was a very important influence on our inquiry, and she now chairs the Government advisory organisation that fell out with the Government recently.

[Mr Sheerman]

We found pretty simple things. We found that, yes, information technology is very useful and that it will increasingly be used by many young people and older people, but at that stage—three years ago—it was used by only about 17% or 18%, which is not a lot. We also found that it was not enough in itself—face-to-face experience and trusted professionals were vital. There was no doubt that all the research, all the evidence that we took, showed it could not be done by technology alone, and that we blanked out many people by relying only on the technology and the internet.

We also found that yes, the careers service was not as good as it should have been. Anyone who does a PhD in future about the Conservatives' enthralment with localism will have a wonderful time with the Minister's speech tonight, because what is this localism? I intervened and said, "The trouble is that Connexions was patchy." It is true that in every local government service I know, much is good in some things, but less is good in others and things are pretty average too much of the time. So how does one, believing in localism, raise the bar for careers advice? It is a great challenge, as Conservative Members will find. Pushing the responsibility back entirely on to schools, they will find the service very patchy indeed, especially if there are very few resources to some schools and better resources at others.

The Skills Commission report was accepted by all three parties and influenced all three manifestos, so there was the start of a good cross-party agreement on the need for high-quality careers advice—absolutely everyone from whom we took evidence agreed on that. But how do we push that forward? When we found that all the manifestos had been influenced by the cross-party consensus, we were very hopeful. But how did we get to the Government advisory group on the all-age careers service? The Labour Government of 2008 did not want an all-age careers service. They were eventually persuaded—again, there was cross-party consensus. All three main parties agreed on an all-age careers service, and they reconstituted it under a different name—the national careers service advisory group. I understand that it is now in the Department for Business, Innovation and Skills, with the Education Department visiting, rather than its being in the Education Department. I have some concerns, and I think hon. Members will have some concerns, about careers being put very securely in BIS rather than in the Education Department.

Responsibility for providing face-to-face services is, however, being transferred to schools, without funding. I have the report from the advisory group on the all-age careers service and the comments by Dame Ruth Silver about the very real problems with it. It says:

> "The new National Careers Service will include face-to-face services for adults, but not for young people. Instead, its service for young people will be confined to telephone- and web-based services. Responsibility for providing the face-to-face services is being transferred to schools, without any transfer of funding: the previous provision of around £200 million per annum for the service for young people has been allowed to disappear."

That is the Government's advisory group speaking. These are the leading people in the country advising on careers. The report continues:

> "There are widespread concerns about the destruction of careers services across the country, with heavy staff redundancies. At a time when young people are facing massive changes in further and higher education, and new apprenticeships—as well as high youth unemployment—stripping out the professional help available to them is not only foolhardy; it is potentially damaging to young people's lives and ultimately to the economy."

What a damning report by the Government's advisory committee! It cannot be right to go in this direction.

As a result of this kind of localism, schools with few resources will have very little careers advice. That is the truth. At the same time, local authorities up and down the land, under pressure of resources, are getting rid of their careers services or slimming them down to the very bone. We will not recreate a culture of high-quality careers service professionals in that way, even though the Government asked Ruth Silver to chair a committee to determine how to increase the professional quality of the careers service.

Everything was going in the right direction, with all-party consensus. Localism could have worked in this respect if the money had followed local responsibility and accountability. I worked closely with the Minister, who was a good member of the Education and Skills Committee for some years, when I chaired it. He is a reasonable man, and he will understand that this is not a party political issue. Good-quality careers advice is absolutely essential to everyone of whatever age. I am one of those people who believe that it is shame and a stain on our country to have a thing called NEETs. I believe that anyone who is not in education, employment or training of whatever age is a NEET, and we cannot have them.

8.29 pm

Simon Hughes (Bermondsey and Old Southwark) (LD): I am happy to follow the hon. Member for Huddersfield (Mr Sheerman), with all his expertise as the former Chair of the Education Committee and his reminder of what the Skills Commission, on which he so honourably served, so clearly said.

I am grateful to the right hon. Member for Leigh (Andy Burnham) for choosing this subject. I shall let him and the House into a secret: the more pressure that we as a House can put on the Government on this issue between us, the better. I am therefore grateful to the Minister for the way in which he responded. May I pass on through him my thanks to the Minister for Further Education, Skills and Lifelong Learning, with whom I have had several pragmatic and good conversations, and to his colleagues at all levels who have said that, having received the report that I gave them in July, they are taking seriously what I asked them to do?

May I now go back a step? In May, we sent the Education Bill from the House to the House of Lords. We held robust debates on this and other issues. It left with two relevant provisions. First, clause 27 states:

> "The responsible authorities for a school in England...must secure that all registered pupils at the school are provided with independent careers guidance".

I support that. Secondly, it states:

> "For the purposes of this section the relevant phase of a pupil's education is"

between 14 and 16. That is an adequate starting point.

Two months later to the day, the Education Committee, chaired by the hon. Member for Beverley and Holderness (Mr Stuart)—a Conservative Back Bencher—produced

its report. The cross-party Select Committee had a clear, unanimous view on the issue. It said specifically, at paragraph 156:

"Professor Watts told us that 'we used to have a careers service for young people, and all we had for adults was a strategy... What we now have...is a careers service for adults, and a very loose"

information advice and guidance

"framework for young people'. Online career guidance, which allows young people to explore at their own pace and according to their own interests, is valuable; and we heard praise for the online careers services offered by DirectGov. However, this is no substitute for personal advice, given on the basis of an understanding of a young person's circumstances and ambitions. We recommend that the all age careers service should be funded by the Department for Education for face to face career guidance for young people."

It could not have been clearer.

I did not know that the Select Committee would say that specifically, but the following week, on 21 July, I gave my report to Ministers. Let me summarise the recommendations and then make a point about my passion for the issue and ask Ministers to consider where we go from here. In passing, I pay tribute to all those in the careers services, including the Institute of Careers Guidance and the trade unions, who have been to see me and are absolutely passionate that this issue needs to be accepted by the Government.

I was clear, because the evidence given to me was clear, that people should start to talk about careers in year 6 in primary school. I was clear, which is why I was so glad about the intervention made by the hon. Member for Bristol East (Kerry McCarthy), that work experience was seen as something where the cleaner did not take a child to work to clean or the accountant take another to do accountancy, but where the cleaner's child had the same exposure to the opportunities that the accountant's child would have and, to be honest, vice versa.

Lilian Greenwood (Nottingham South) (Lab): I wonder whether the right hon. Gentleman shares my concern about what is happening in Nottingham and Nottinghamshire, where Futures used to charge £13 per pupil to fix up work experience, but as a result of the loss of a £500,000 Government grant, it now charges £31 per pupil. Many schools are unable to buy in the service to match students with work experience opportunities, yet individual parents can pay £150 to buy just those opportunities for their children to be matched with work experience. What does that say to the children of cleaners and school dinner ladies about the importance of their opportunities?

Simon Hughes: I absolutely share that concern. We need a system that guarantees more than just one week of work experience once in July—at the same time all around the country—at one stage in a person's career. The Under-Secretary of State for Education, the hon. Member for East Worthing and Shoreham (Tim Loughton), and I were at City hall today with some young people who argued that they should have at least two weeks' work experience. I am clear that it should be for those aged from 14 through to 16, and be held at an appropriate time and in an appropriate place. It should not be something that people charge to fix up; we should develop it so that it is part of the expectation in secondary school, and part of youngsters' lives.

Andy Burnham: I agree very much with the right hon. Gentleman, and I welcome the spirit in which he is speaking. He would probably agree with Labour Members that, as my hon. Friend the Member for Nottingham South (Lilian Greenwood) said, work experience is so important that it should not be left to random chance. We have to find a way of offering structured opportunities, particularly to those young people who have the least. With that in mind, may I ask the right hon. Gentleman to comment on the Government's intention of removing the requirement on schools, at key stage 4, to offer work-related learning, which essentially is work experience? Is it not the case that if they remove that requirement, provision will be completely random? Some schools will offer it, and some will not.

Simon Hughes: Let me be absolutely straight with the right hon. Gentleman: I understand the Government's wish not to burden heads and schools with over-prescription. I am chair of governors of a primary school, and a trustee of a secondary school, so I understand that completely. However, some things have to be guaranteed, and in my view we have to guarantee the opportunity of work experience during secondary school time, and we have to guarantee face-to-face careers advice. I say that not because I have some theological view about it, but because the evidence that we have heard, and that I collected, is that youngsters are overwhelmingly saying, "We've had bad careers advice and bad work experience."

In a tight economic situation, people even more need both careers advice and work experience. The figures that I collected show that there are more than 4,000 different qualifications that a young person can gain between the ages of 14 and 18. There are millions of combinations of qualifications that they can end up with. Navigating a way through that requires more than a person's ability to go online and discover what they think they might want to know; that, bluntly, is different depending on how bright the person is, what family support they have, and other things. It is about more than having some books to look at; it is about speaking to somebody who can relate to them where they are, and engage with them.

As my hon. Friend the Member for Burnley (Gordon Birtwistle) said to me when the debate began, in the end what is required may be more than one half-hour session; there may need to be follow-up—mentoring, support, and continuous commitment. That might mean a local employer—PricewaterhouseCoopers could step over the river to my constituency—coming into a school to continue to support somebody as they work things out. It might mean working out how somebody who fluffs some exams, and does not start very well academically, can recover and be told, "You haven't lost everything just because you had a terrible year when your parents separated and your family situation was a disaster." We have to understand that people have only one school time in which they can do work experience.

Nic Dakin (Scunthorpe) (Lab): The right hon. Gentleman must be commended for speaking with great foresight and spelling things out with great common sense. Does he agree that there is real urgency, as is reflected in the motion? Young people have only one chance, and getting things right tomorrow is no good for today's kids. We need to get things right now. There is a transition gap;

[Nic Dakin]

to be fair, the Minister for Further Education, Skills and Lifelong Learning has recognised that that is an issue in talking to me. That gap needs to be addressed immediately.

Simon Hughes: I do not disagree with that; I said it in my report, and I remind the hon. Gentleman to go back and look at it. I just have time to list the recommendations and give my conclusion on where I think we should go.

The second recommendation, which is relevant, is that the Department for Education should continuously consider how best to support schools and colleges in their access activities, and in building up much more available information.

The third recommendation is that at the age of 13 and 14—in year 9—every student should have available to them a proper, broad base of information on what the pathways are. Indeed, it is not just the young people who need that information; their parents do, too, so that they are not prejudiced by their own experiences and past.

The fourth recommendation is that the Government "should act urgently"—those are the words on the Order Paper—to guarantee face-to-face careers advice for all young people in schools; that should be taken up to age 17 and 18, as the school leaving age increases.

We need a plan on how to keep the expertise of current careers services providers, given the change in the system. I welcome the change in the system—Connexions was often not successful, but we must make sure that we do not lose the expertise of the people who delivered the service. We must hold events for parents and carers to make sure that they understand that. Someone in each school—not the independent provider—should be responsible for access issues and someone for careers issues. Finally, Ofsted should evaluate the careers service given to the school and report on it, and how it makes use of destination data.

I am grateful for the Minister's courtesy and his Department's consideration. I can hold back my colleagues from voting with the Opposition only because of the undertaking he has given. *[Interruption.]* No: the Government are going to respond to all the recommendations, not one. I accept absolutely the point about urgency made by Back Benchers. Our Liberal Democrat colleagues in the Lords feel equally strongly that we must ensure the provision of face-to-face guidance.

I represent a strongly working-class constituency. If we believe in social mobility, we must additionally assist those who do not have the advantages of privilege and finance, which is why the Government must deliver. I await the recommendations and their response, but there must be a yes to the proposal.

8.41 pm

Mrs Jenny Chapman (Darlington) (Lab): I greatly admired the speech given by the right hon. Member for Bermondsey and Old Southwark (Simon Hughes), but I am slightly perplexed as to how he can speak eloquently and passionately about something in which he clearly believes but then, at the last minute, say that he will be able to vote with the Government—that is extraordinary—and that he will encourage his colleagues to do the same. It is his call to vote with the Government and support them. I shall support young people in all of this, as they need us now.

We decided to call this debate on careers advice—not the sexiest subject out there—because it matters to us in the Labour party. This is about social mobility, and if the Labour party cares about something, it is social mobility. If we get this wrong, it will make a huge difference to young people's lives.

Simon Hughes: The hon. Lady rightly said that we all have to show that we are on the side of young people, and I hope that I have shown that and that my colleagues are, too. The Government must not just provide one response to one question but respond comprehensively. They also have to find the money. That is their job, not my job. I want them to do it, and we are putting pressure on them. Let me put pressure on in my way; if the hon. Lady puts pressure on in her way, I am determined that the Government will deliver.

Mrs Chapman: I listen carefully to the right hon. Gentleman, and clearly he is far more experienced in the ways of the House than I am. It really is not about what we get up and say—it is what we do. We must show support for young people through our actions, not just by giving a fancy speech.

Dan Rogerson (North Cornwall) (LD): I am listening carefully to the distinction that the hon. Lady is drawing between how Members will vote on the motion and their commitments more widely. Will she tell us whether the previous Government guaranteed face-to-face contact for every person, as the motion seeks to demand that the Government guarantee?

Mrs Chapman: There are issues with Connexions, and if I am able to deliver the rest of my speech, I will come on to that.

Satisfaction with Connexions varies a great deal, and the Minister rightly pointed out that its careers advice was lacking. In his report, Alan Milburn observed that only one in five young people questioned on the issue found that the careers advice offered by Connexions was satisfactory. That situation is not sustainable, and we should not put up with it. My objection is that the only young people who will receive guaranteed, face-to-face, top-notch, good-quality careers advice are those in fee-paying schools, which no one in the House should tolerate, regardless of their political affiliation, background or education.

The issue is not just the life chances of individual young people, although it certainly includes that, and I am sure that will be the main focus of debate. This is about economic regeneration. My constituency has an engineering heritage and I have some very large engineering companies. I am thinking of Cummins, which makes engines. I do not understand fully what the company does, but I know the engines come in a range of colours. The careers advice and guidance that I was given, growing up in a town with such a strong engineering heritage, was about the public sector, health care and social sciences. Nobody ever spoke to me about taking maths, about a career in engineering, about getting into technology—nothing. Not very much has changed in that respect.

Damian Hinds (East Hampshire) (Con): Does the hon. Lady agree that it is the quality of advice that counts, more than its quantity? What does she recommend we could do to get more people into schools to talk about STEM subjects, for example, and to inspire pupils to take those—boys and girls?

Mrs Chapman: Exactly right; I agree with that. I look at my own sons and wonder who is going to talk to them if they want to go into science, technology, engineering or maths. Heaven help them if they look to me or their father for advice. I can give them advice on politics, psychology, archaeology, retail and cake decorating.

Alan Milburn was right. I am happy to see the service devolved to schools. It is fine for schools to commission the service as they see fit, but they need money to enable them to buy quality face-to-face advice, and there needs to be a proper inspection regime.

Damian Hinds *rose—*

Mrs Chapman: Please be brief.

Damian Hinds: Is the hon. Lady aware of the STEMNET ambassador programme, in which people from relevant industries go into schools and get the benefit of continuing professional development while they are sharing their knowledge and enthusiasm with the young people?

Mrs Chapman: Fantastic! I am all for that. That is marvellous, but is it happening in every school in the country? Of course not. I have some brilliant engineering businesses which go into schools and inspire young people. They try to point young people in the right direction and show them that there are wonderful careers for them on their doorstep—international careers—but young people need more than a visit from such a company. They need proper face-to-face advice from people who will inspire them.

The businesses in Darlington to which I referred are recruiting senior engineers from Greece, Brazil and Turkey, because we are not producing the people to fill those senior roles. One reason for that is that people are not getting the right advice at the right age. I am not talking just about 16 and FE. I am talking about year 6 in primary school, before they take their options, so that they know that they have to take good science subjects and maths. I am glad to see the hon. Member for East Hampshire (Damian Hinds) agreeing with me. Such careers advice will not happen via Google. It needs to be face-to-face, inspiring advice.

I am fortunate to have in Darlington the Queen Elizabeth sixth-form college. I shall shamelessly plug the work of one woman, Stella Barnes, who provides first-class careers advice to young people there. I am sure that despite the pressures that it faces, the college will find the funding to keep Stella doing such fantastic work, but that is one woman and she can only do so much.

In the turbulent world that our young people are entering, job prospects are not certain, the costs of higher education are putting people off, and EMA no longer incentivises young people to stay on post-16. That applies not only to the at-risk, the vulnerable, the people who would not have a job if their mother had not organised something for them. It applies to all young people from all kinds of backgrounds. It is not just about the children of people on benefits. It is about people whose parents are in professional careers but who lack the wherewithal to open other doors—people like myself.

The biggest shame is that the Government have over-promised on what they will do. When they said that there would be an all-age careers service, people took them at their word. They thought that that meant the same for everybody and that it would be fair, but that is not what we will find. Adults can get face-to-face advice, because the Government rightly recognise that they need it, so why can young people not get it? They need it more than anyone else. They need someone to look them in the eye, work out their personal circumstances, listen to their hopes, dreams and aspirations, perhaps give them some if they do not have any, and work out the best thing for them. Otherwise, we are leaving young people stranded.

Jim Shannon (Strangford) (DUP): There are good examples across the United Kingdom, and some of those will be in Northern Ireland. I suggest that that might be a way forward.

Mrs Chapman: I am grateful to the hon. Gentleman for that inspiring contribution. I find myself now in a situation in which everything has been said, but probably not by everyone.

8.50 pm

Elizabeth Truss (South West Norfolk) (Con): I fear that the Opposition are on the wrong track with the subject they have selected for today's debate. I fear that much more damage has been done by the dilution of maths, sciences and languages in our schools than by poor careers advice, and yet we have yet another Opposition day debate on education that does not address the core issue. We are not talking about what students actually learn in school.

During their period in government, Labour presided over a hollowing core that failed to prepare people properly for the world of work. Britain has been left with a skills shortage in crucial areas, and I fear that we are losing the race against international competitors. An OECD report published today indicates that there has been a rebalancing of skills between west and east. The leagues tables for the OECD's programme for international student assessment speak for themselves, with the UK falling to 28th place in maths.

The previous Government, instead of addressing the fundamental weaknesses in our education system, further skewed education towards those subjects that employers did not want and spent money on careers advice that only a few people appreciated. Only 20% of students said that they thought the careers advice provided was useful. Alan Milburn, a former Labour Minister, said that the careers advice simply was not good enough.

Simon Hughes: I recognise my hon. Friend's interest in this wider subject. The really important thing is that both should work. The reason we need good, personalised careers advice is that it enables young people to make the right choices, for example on what subjects to study, so that they do not end up excluded from university courses—medicine, for instance—because they made the wrong choices when they were 14 or 15.

Elizabeth Truss: I thank my right hon. Friend for his intervention. I advocate making the E-bac subjects that the Government are encouraging compulsory until age 16, as they are in Canada, Germany and France. It is good for all students to get a core basic education. We currently have one of the lowest proportions in the OECD of students doing maths aged 16 to 18. We have a very poor record on foreign languages, history and sciences.

To address the point that the shadow Secretary of State made in his speech, we need to get everyone up to a good level in a core general education. It is no longer appropriate to say that it is okay for students to cut off their options at age 14 and regret it later in their careers. I do not think that we need a lot of expensive careers advisers telling students that; it should be a broad part of a general education that everyone in this country studies, as is the case in most of our major competitors. I would like the Government to take up that point.

Employers say that they are most concerned about foreign languages—75% said that it was their major concern. Yet in 2004 the previous Government dropped the requirement of a foreign language at key stage 4, and since then the proportion of students studying foreign languages at GCSE has plunged from 79% to 44%. In mathematics, the UK is an outlier, with only 50% of sixth forms offering further mathematics A-level, and yet students who wish to study mathematics or physics at one of the top universities need a further mathematics A-level. That means that 50% of our young people are unable to study those important subjects at university. That is absolutely disgraceful. Why are they not able to do so? There are perverse incentives in the league tables, as the Minister said earlier, and we all know that some subjects are more equal than others, but there is also a fundamental dishonesty in how they are presented and reported.

One thing that no one has mentioned in the debate so far, however, is the role that teachers should play. We have seen their role diminished since 2003, and in particular since their terms and conditions restricted the activities in which they may become involved. Teachers have a crucial role in inspiring students to think about their future and what they could make of themselves, but sometimes we focus too much on the student's immediate career, rather than on building up their long-term capabilities.

It is better to have somebody who is close to a student giving them regular advice and being honest about their subject options. I have been into local schools and talked to teachers, and often they are afraid of denigrating a subject for fear of seeming elitist, but unfortunately that is undermining our meritocracy and meaning that students from well-off backgrounds who attend independent schools are twice as likely to study maths and science at A-level, three times as likely to study modern languages and seven times less likely to study media studies. That, I am afraid, is the legacy of our system.

Steve McCabe (Birmingham, Selly Oak) (Lab): What is the basis for assuming that unqualified teachers who flourish in the free-school experiment will be better equipped to provide the support and direction that the hon. Lady hopes pupils will receive?

Elizabeth Truss: I thank the hon. Gentleman for his intervention. I support the idea that a good head teacher will select those teachers who are the most inspirational to the students entering that school and encourage them in their future lives and careers. In this country, however, we often look to the short term and the next job, instead of building up the capability for a lifetime of jobs—which could amount to 10 jobs. We are all going to work longer, because we are all living longer.

I know from the previous comments of Labour Front Benchers that they do not always approve of traditional subjects such as physics, chemistry and modern languages—*[Interruption.]* Well, I have heard expressed in this Chamber objections to the English baccalaureate. However, even if the Opposition think that those subjects are old hat, which people in China and India certainly do not think, as they are rushing to institutes of technology to study them, I am afraid that we are not that great either at teaching new subjects in the way that employers want.

The shadow Secretary of State mentioned ICT, and Dr Eric Schmidt of Google said:

> "Your IT curriculum focuses on teaching how to use software, but gives no insight into how it's made. That is just throwing away your great computing heritage."

I fear not only that we are not teaching enough rigorous and traditional subjects, but that we are not teaching the new subjects deeply enough, or in a way that imparts how things work, in order to give us the capability to build more effective programming and IT industries. The problem therefore is not just with the subjects, but with the way ICT is being taught.

The Government are taking absolutely the right approach by encouraging more students to study such core subjects, which will give them broad career options, rather than cut off their options early, as many people have unfortunately been doing.

Julie Hilling: I thank the hon. Lady for giving way, because I have been sitting here getting increasingly frustrated at the notion that history, geography, modern foreign languages, maths and science are the only subjects that will give a student the breadth of knowledge with which to go forward in their lives. Is the issue not about academic rigour and young people learning to learn and learning to evaluate what they learn? That is the important thing, not the subject that they are doing.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Interventions are getting a little bit too long.

Elizabeth Truss: I thank the hon. Lady for her intervention. Perhaps in due course she could tell me why Canada, France and Germany insist on those subjects being taken to age 16, and why all those countries are doing better than us in the OECD PISA—programme for international student assessment—tables.

The Government are taking absolutely the right approach of strengthening the core, getting rid of modules from exams, making rigorous assessments, and encouraging students to take the E-bac. It is so encouraging that this year the numbers of new entries to these subjects have gone up. We are also offering proper apprenticeships to get people the proper work experience that they need to build a successful career. We will not create careers with more hot air; we will create careers through real learning in real subjects and real jobs.

9 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): This is the first debate I have spoken in since the summer recess, so may I declare an interest that I should have declared when I spoke in a Westminster Hall debate on 6 July? Since March this year, I have had a part-time placement in my local office from a local not-for-profit social enterprise, the Neighbourhood Services Company. Due to an oversight on my part, I did not register that interest until 8 August. I am pleased to have this opportunity to put that on the record.

My right hon. Friend the shadow Education Secretary set the context for this important debate—rising youth unemployment, the loss of education maintenance allowance and the increase in tuition fees, with the danger that today's generation of young people could be left in the lurch. He also made the important point that Labour Members are not arguing for preserving the status quo, and he made it clear that we want to work on a cross-party basis to deliver the terms of the motion. I welcome the comments by the right hon. Member for Bermondsey and Old Southwark (Simon Hughes), who reminded us of the recommendations in his report. I gently encourage him and his colleagues to follow those words by joining us in the Aye Lobby.

The big policy challenge to which several Members have referred is how we can increase social mobility. We know from research, including last year's "Going for Growth" report from the OECD, that this country has an appalling record. The strength of the link between a person's income and their parents' income is higher in this country than in any other OECD country. That is a truly shocking fact. I think that every speaker has mentioned Alan Milburn, so I feel the need to do so as well. In his 2009 report, Alan said:

> "Birth, not worth, has become much more of a determinant of people's life chances."

We must ensure that we address that in this debate.

Mrs Chapman: On the subject of Alan Milburn, if my hon. Friend cared to read further on in his report, he would notice that Mr Milburn recommended that schools should be funded in order to commission such careers advice.

Stephen Twigg: My hon. Friend is absolutely correct. I was going to make a similar point later, but she has made it very powerfully.

The Minister for Further Education, Skills and Lifelong Learning, who is not here this evening, has been cautious in his criticism of the previous Government's programmes, and rightly so. Of course, as Members on both sides of the House have said, there were serious imperfections with Connexions and Next Step, but we must be careful not to write off the positive features and the important work of many talented and committed professionals who have worked, as some still do, in those programmes.

Today, in advance of tonight's debate, I spoke to people in some of the secondary schools in my constituency. Those at St John Bosco school in Croxteth told me about the work they have been doing with the Aimhigher programme. They have drawn particularly on the importance of the role of face-to-face contact by employing a graduate mentor to assist the girls at the school with their university applications and career development. This is a school in a very deprived neighbourhood that has an excellent reputation and a high percentage of its girls going on to university.

Cardinal Heenan school for boys has pioneered a particularly innovative approach to careers advice. I want to commend Dave Forshaw, the head teacher, and his team for their industry day programme, which I have had the opportunity to visit on two occasions. The programme draws on alumni, partners and a range of local organisations to deliver rich and effective careers advice, starting in year 7. Its recent industry days have had contributions from a former pupil of the school, the actor Ian Hart, who appeared in the Harry Potter films, as well as local and national journalists, sports professionals, solicitors, accountants and others. West Derby school has adopted a similar approach and held its first careers convention last year.

I cite those examples because they demonstrate two important points. The first is the critical importance of giving information and advice at an early age. Too often, these things are left too late. The second is the importance of drawing on expertise, including among the alumni of the schools themselves, to inspire young people.

The head teachers of those schools said to me today that quality careers advice needs resources. They are very concerned about what they see as a potential shift in policy away from face-to-face interaction to online and telephone-based services. My right hon. Friend the shadow Secretary of State set out the research published by Unison that was done at the university of Derby, which shows the sheer scale of the cuts in careers services up and down the country. That is the backdrop for this important debate.

Some of this debate has focused on low-cost solutions and how effective they are in delivery. I would like to bring the House's attention to the work of an organisation called Future First. It has done excellent research on careers services. Like the head teachers of the schools in my constituency that I have cited, it emphasises that careers advice cannot be reduced to online information and telephone services. A complementary model is surely the best way forward. Future First seeks to increase social mobility by building communities of alumni around state schools to inspire young people about their futures.

Mr Graham Stuart: The hon. Gentleman is giving a passionate speech. He has just said that careers advice should be complementary, and I agree. However, the Opposition motion does not say that the Government should seek to find additional funds to provide face-to-face careers advice; it says that all young people should be provided with face-to-face careers advice whether they need it or not. That does not sound complementary; it sounds like the cumbersome over-specified and overly expensive processes that we saw too much of under the previous Government.

Stephen Twigg: Not at all. What I mean by complementary, and what I understand Future First to mean by complementary, is that we need face-to-face advice, but that that is not enough. We also need the other projects to which I and other Members have referred.

Eric Joyce (Falkirk) (Lab): On the subject of complementary services, my hon. Friend will be aware that the Labour Government and my hon. Friend the Member for Huddersfield (Mr Sheerman) explored the possibility of using social media as a complementary way of introducing kids at school to people who have the same interests. Does he think that we might take that idea forward in the future?

Stephen Twigg: Absolutely; my hon. Friend makes an important point. Face-to-face advice is vital, and that is why the motion is about that, but it is not enough on its own. We need other initiatives, whether they use information technology or networks of alumni, as Future First does.

Future First started as a project in London state secondary schools. It was founded by a team of graduates from state schools, who were motivated by their own experience. It seeks to improve the support offered to young people at school as soon as they start considering their future. It is now supported by a wide range of organisations, including the Sutton Trust. It is looking to extend its excellent practice beyond London to other parts of the country. Recently, I had the opportunity to introduce Future First to Liverpool Vision, with a view to opening opportunities for it to take its programmes to Liverpool. It will be meeting shortly with head teachers and business leaders in the city of Liverpool.

Future First's study, "Social Mobility, Careers Advice and Alumni Networks", to which my right hon. Friend the shadow Secretary of State referred, makes the point that was made earlier by my hon. Friend the Member for Huddersfield (Mr Sheerman) about the contrast between what happens in private schools and state schools. When asked how they rated their careers service, just 31% of young people in state schools said "good" or "very good", yet in private schools the figure was almost double that at 57%. The figures from the independent sector and those from the state sector show a very significant contrast, which highlights the scale of the challenges that we face.

In-school services must get better. Schools need to improve them, but they cannot do that on their own; they need partners, and organisations such as Future First provide ideal partners for that excellent work. I therefore urge the Government, following tonight's debate, not only to guarantee face-to-face careers advice as set out in the motion, but to go beyond that, and support and encourage excellent programmes such as the one at Cardinal Heenan school in my constituency and the ones that Future First has promoted in London. As my right hon. Friend the shadow Education Secretary said, Opposition Members will work with the Government if they genuinely seek to advance that vital instrument in the fight for a more socially mobile country.

9.10 pm

Alok Sharma (Reading West) (Con): I do not know whether you have seen the film "Groundhog Day", Mr Deputy Speaker, in which history keeps repeating itself, but this Opposition day debate and the one before it feel very similar. We have heard the same old tired arguments from the Opposition, with very little acknowledgment of the mistakes that they made or the mess in which we find ourselves, in terms of both the economy and the careers advice service.

A number of hon. Members have quoted the former Member for Darlington, Alan Milburn, so let me do so as well. Having chaired the panel on fair access, he said:

"In my view, the service requires a quite radical rethink".

Indeed, the panel concluded:

"We believe that schools and colleges need to be given direct responsibility, working with local authorities, for making their decisions about information, advice and guidance".

That is exactly what the Government plan to do.

The current hon. Member for Darlington (Mrs Chapman) quoted a survey that said that only one in five young people found Connexions helpful. Further surveys said that under Labour, six in 10 were unhappy with the quality of the careers that they were getting—*[Interruption.]* There has been an element of good advice, but perhaps not enough, and we must acknowledge that there was no golden age of careers advice under the previous Government. We need to put the debate in that context.

I agree with hon. Members who have made it clear that careers advice is vital, and that young people need to get it as early as possible in their school careers. It is important that we foster aspiration, which hon. Members have talked about; that we expand the boundaries of what students believe is possible for them in their careers; and that we get young people to aim high.

The hon. Member for Bristol East (Kerry McCarthy), who is not in the Chamber, spoke about that, and I agreed with her, but the question is this: how do we deliver that careers advice? We have heard that the Education Bill will introduce a legal duty for the provision of impartial careers guidance in years 9 to 11, which is absolutely right. I am pleased that the Minister spoke about the fact that the Government are consulting on whether they should extend that duty downwards to year 8, which would be great. I would like to see it go down further, because we cannot start careers advice early enough.

I agree that that responsibility should go to schools. At the end of the day, they know their pupils best and know what is required. They will be able to commission advice and services from the new national careers service when that is up and running, and of course from other external sources.

It has been implied—I do not whether it was deliberate or not—that providing online advice does not make sense for young people. Some of us have young children ourselves, and some of us know young people, and we know that it is second nature for them to use the internet to do research. Professor Alison Wolf, who led the Government review of vocational education, has said very clearly that there is a role for the Government in providing online, updated information on what is available. It is entirely consistent that online provision is one of the things that will be happening.

Lilian Greenwood: I agree that young people often want to access information through new technology, but does the hon. Gentleman consider it an adequate replacement for guidance and the opportunity to discuss options face to face?

Alok Sharma: Clearly, we need to have both. *[Interruption.]* Hang on, let me finish! Schools will be able to access this information.

I want to talk about what is happening on my patch in Reading. It is vital that not just schools, but businesses have a key role in providing careers advice, because, at the end of the day, they have an interest in interacting with their future employees. It is vital that we do not forget that element. As the Minister knows, because he is opening it at the end of the month, we have organised an interactive careers fair—we have called it a "futures fair"—open to all secondary schools in my constituency. We have organised it with the educational charity, Central Berkshire Education Business Partnership, which I guess is the sort of external service provider that we are talking about. I have long thought it important—I am sure that other Members have too—that we connect schools and business and that careers advice is not provided in isolation by schools and teachers.

When I began the initiative, I wondered how we would fund it, but actually businesses bent over backwards to provide funding. We are holding it at the conference centre at the Madejski football stadium in Reading—it is going to be a very big event—and schools will not have to pay a penny because it will be fully funded by business. More than 60 organisations, including businesses, multinationals and local companies, are taking part. An hon. Member said that we needed alumni and former students in positions of responsibility in companies to come and talk to pupils in schools, which is exactly what we will have—every sector will be covered, from engineering to IT and apprenticeships providers—along with seminars on practical skills, including on how to write a CV, perform in mock interviews, secure an apprenticeship, manage money and budget. There will also be advice on pursuing a science career. Hon. Members have rightly said that we need to encourage STEM subjects.

The careers fair is also about ensuring that before the students arrive, they know exactly what to expect and that afterwards there will be follow-up sessions with teachers. Hon. Members talked about the need to involve families and parents. There will be an opportunity, after the school day, for parents to come back with their kids and talk to businesses. There are families in my constituencies—perhaps in all constituencies—who have never had a scientist, lawyer, accountant or whatever in their family, and this is an opportunity for parents to talk with businesses together with their kids. That is vital.

In the previous debate, the shadow Business Secretary, the right hon. Member for Southampton, Itchen (Mr Denham), talked about the need for long-term apprenticeships. We have companies coming to the fair offering three-year apprenticeships, and there is even a seminar for teachers to learn about the local labour market and the types of skills that employers are looking for. I am talking about this because we need to stop thinking one-dimensionally and assuming that the Government must provide everything. There is a clear role for businesses. They bend over backwards to help schools and local communities because they know that at the end of the day they will see the benefits. We need to find a way of getting the business community more engaged. Bridging the skills and expectations gap between young people and potential employers is vital.

In conclusion, I think that the Government are on absolutely the right track with careers advice, and I ask the Opposition to think carefully about what the Government are doing and the constraints placed on them as a result of the position in which we were left by the previous Government. Unfortunately, I cannot support the Opposition motion tonight.

9.19 pm

Julie Hilling (Bolton West) (Lab): In the '80s and '90s, I spent 10 years as a youth worker in a youth co-operative project for unemployed young people. At that time, more than a quarter of young people were unemployed. They were a generation who had no jobs, no hope and no future. Some of those young people never recovered from that period. Some committed suicide; others turned to drugs and alcohol, or ended up with long-term mental health problems. Even when the economy started to recover, those young people who had spent many years unemployed found it incredibly difficult to get a job. Let us be honest, most employers would probably prefer to employ a 16-year-old fresh out of school than a 26-year-old who has spent most of the past 10 years unemployed, with nothing to get up for and nothing to do.

The youth co-operative tried to stop the cycle of despair for young people. It helped them to gain skills and set up their own businesses. It gave them driving lessons and taught them how to use computers. It built up their confidence and gave them a reason to get out of bed, and it was open 365 days a year. It was about more than skills education; it provided a support network, and it challenged attitudes. It helped people to believe in themselves and gave them practical help. We helped young people who were sleeping in cars and on friends' floors to get rehoused. We then helped them to decorate their new homes and find second-hand furniture. We helped young people whose schools and colleges said that they were not good enough for university to get there and to complete their degrees, and we supported young people into work. Then we were closed by Tory cuts in the youth service.

The Labour Government came along and introduced the Connexions service, which offered careers advice-plus, in the form of straightforward careers advice for all young people and a dedicated support service for young people not in employment education or training, or those at risk of becoming NEETs. The service did many of the things that the youth co-operative did in the '80s and '90s. Now we have another Tory Government, and youth unemployment is at its highest since 1992. We are seeing the destruction of Connexions and the youth service, and all support services are being slashed. It is back to the future again. Young people again feel that they have no jobs, no hope and no future.

We can argue about the effectiveness of the Connexions service. The Government like to use the result of an online survey of 510 respondents who said that they were unhappy with the service, rather than the survey of 5,000 young people carried out by the then Department for Education and Skills, which found that over 90% were satisfied with the service that they had received. Surely no one can argue that online advice is a substitute for face-to-face advice. Like my hon. Friend the Member for Darlington (Mrs Chapman) and, I suspect, many other Members, I did not get good careers advice—*[Laughter.]*

Stephen Twigg: Like all of us; that's why we are here.

Julie Hilling: Perhaps—although I have to say that it is not a bad job.

It is down to us to ensure that young people are inspired to follow certain careers. How can they find out what jobs and careers are out there? If they do not have friends, family or people in their neighbourhood who are in a variety of professions, how do they find out what they can do, or what their options are? That is the situation that faces many of our young people, especially those from poorer backgrounds.

Damian Hinds: The hon. Lady is raising some very good questions, but is she implying that all those services have been working perfectly for the past 10 years or so?

Julie Hilling: I am quite happy to concede that they have not been working perfectly, but I have to tell the House that the Government's proposals will make things worse, not better.

Many industries—not just the professions involving solicitors, doctors and so on—are very much family affairs, in which sons and daughters follow fathers and mothers, aunts and uncles and grandparents into the workplace. Before I worked for a rail union, which was very much a family affair, I had no idea about the range of jobs available in that industry. How does a young person without connections find out about such jobs, and how do they ensure that they have the right skills to apply for them when they do find out about them?

Of course, the advice that young people receive has to be good. I remember a member of my staff taking a young person to meet a careers officer before the Connexions service was established. Again, I am not saying that Connexions was perfect. That young women wanted to become a vet, but the careers adviser very kindly told her about how to become a veterinary nurse. That was disgraceful. We need to be ambitious for young people. I worked with two young people who were told that they were too stupid to go to university. One of them now has her master's degree, and is a head of department in a sixth-form college. The other has a degree in Russian and splits his time between Russia and Korea. A computer program will not inspire young people. It will not be ambitious for them, and it will not stretch them. It will not build their confidence, or give them the support that they need if they are to reach their full potential.

What if a young person has learning difficulties or physical disabilities? I want to talk about Thomas, whose mum and gran came to see me in my surgery. Thomas had not been diagnosed with a disability and there was a threat to take his mum to court because he would not attend school. Eventually, through our intervention, Thomas was diagnosed with an autism-related condition. He would not leave home, go to school or do anything else. He had a Connexions adviser, however, who regularly came to the house at the same time each week—the sort of thing that a young person with an autism-related condition needs. By using the available funding, the adviser was able to take Thomas out to the library and various other activities, and to give him experience of work programmes. Thomas's life was transformed, but his mum and gran are now absolutely desperate about what will happen to him.

Connexions was not just about careers advice. Funding was made available to support young people like Thomas or others who for other reasons were not making a good transfer to further education or work. There was funding for programmes that provided support, training and education for young people, including a summer programme for 16-year-olds from the New Opportunities Fund. An activity agreement provided an allowance in return for fulfilling an agreed action plan and funding was provided to purchase experiential learning opportunities. There was a learning agreement aimed at engaging local employers and increasing the number of young people in jobs with training. The programme offered financial incentives to employers and young people, in combination with suitably brokered learning provision.

In Wigan there was a range of bespoke projects aimed at the most vulnerable young people in the borough—including teenage pregnancy courses and a video production course for young offenders. The re-engage project built on the success of the activity agreement pilot by securing a discretionary fund for young people living in Wigan's most deprived neighbourhoods. That also funded summer projects, in partnership with the youth service, to keep school leavers engaged. An apprenticeship pathways project was delivered by Wigan college and local learning providers, which looked at new ways of engaging and motivating closer to the labour market young people who were struggling to find opportunities. Wigan council's supported employment team was funded to assist young people with learning difficulties in accessing work opportunities. The council delivered a successful apprenticeship programme, recruiting young people and supporting them through trained mentors. In partnership with local learning providers and colleges, it successfully delivered a range of activities to engage and motivate NEET and potentially NEET clients—including the clearing house, taster sessions, locality-based summer programmes and careers events.

What happened as a result of all that support and all those programmes? Youth unemployment fell by 40% from 1997 to the start of the global financial crisis, and more than half the young people on jobseeker's allowance were off it within three months. But now it is all gone.

Most young people from advantaged backgrounds will make the transition from school to employment, probably via university, with few problems, but surely we have a duty to support young people who, through no fault of their own, will find that transition difficult or impossible. We owe it to young people to help them fulfil their potential. We owe it to them to give them the best possible support and advice from trained and qualified advisers. I hope that the Government will do another U-turn and save either the Connexions service or the careers service—at least something that will be valuable to young people. And while they are at it, I hope that they will save the youth service, too.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): There are two speakers and 12 minutes left.

9.28 pm

Gordon Birtwistle (Burnley) (LD): I thank the shadow Secretary of State for bringing this debate to the House, as I believe it is valuable—one of the most important debates I have attended since being elected. It is only a shame that so few Members are present to hear the contributions. *[Interruption.]* I am not naming names, just making a comment. The principle behind the motion is very good, but the way in which it has been written is very poor. *[Interruption.]* Those might be the words of my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) but they are not in this motion. The problem with it is—*[Interruption.]* The hon. Member for Kingston upon Hull East (Karl Turner) has only just come into the Chamber, yet he seems to think this is a joke.

The motion says:

"That this House believes that the Government should act urgently to guarantee face-to-face careers advice for all young people in schools."

It does not tell us how many times, at what stage careers advice is needed, or how old the young people should be. Let me explain why I believe it has been badly written. If it had been written differently, I might have been able to support it.

When I was leader of Burnley council some three years ago, I went to a junior school to speak to some year 6 students who were just about to leave the school and go on to secondary education. The headmistress had invited a number of prominent people in the town—the mayor, myself and one or two more—to say what our jobs were. After we had told the young people what our jobs were, we asked them what sort of vision they had for their future. One little girl said that she was interested in becoming a nursery nurse, as she had some siblings and was keen on looking after them. The shock for me came when one young man said, "I want to be a benefit claimant." That was the aspiration in life of a young man of 11, and he had never been given any different advice. When I asked him why, he said, "My dad and uncle are benefit claimants and we live very well off it, so why should I get up every morning to go to work?" When I told the head teacher afterwards how stunned I was at that, she said, "I'm afraid that's the way of the world round here." I then decided that I would look into how that happened, and what we could do to try to stop it.

After that we got talking to people in the secondary schools. The secondary schools in Burnley have gone through a torrid time, although I am pleased to say that they are now recovering. Nobody in here needs to tell me about privileged students; if they came to Burnley, they would find that we do not have very many privileged students at the moment. I thought it would be a great idea to get the companies involved, and we managed to get a big company involved in every school. They carry out a lot of careers advice because they are the professionals; they know what educational skills they need from the people who are coming to them.

A lot of young people want to go on to university, and that is fine, but a lot of young people are going on to university to study subjects that do not qualify them for any jobs when they have finished studying them, while there are a number of jobs in manufacturing, particularly in Burnley, for which we cannot get staff. One company in Burnley is looking for 300 skilled workers and cannot get them. It has suddenly decided that taking on a vast number of apprentices, through the Government's apprenticeship scheme, is a good idea. But a young person of 16 does not get to be a skilled airframe fitter or aero-engine fitter by the time they are 17. The process takes four or five years. For the past 30 years that process has not happened; we have let the whole thing fall apart. I am not blaming the Labour Government or the previous Tory Government, but that has happened; this is where we are.

We have a careers service that has failed the young people of this country for the past 30 years, and we desperately need to do something about it. We do not need the Government to do everything; we need to get the professionals from industry involved. Why do we not invite Sir John Rose, who has retired from Rolls-Royce, to talk to people and advise them about how he would run a careers service? He has run Rolls-Royce for donkey's years and made it very successful. I do not think that the Government can do this on their own. People outside government can give better advice than anybody within it.

I suggest that the Government should examine what they are doing. I accept the need to do more and if money is available, I hope that they will do more. I also think that the local colleges and further education colleges could do more. Twice a year Burnley college has a careers day, when it invites all the companies from Burnley and most of them attend. They put stands up and speak to young people, and they take vast numbers of young people on as a result of those nights. One company took six apprentices on as a result of one of these nights—young people who had never thought of going into that sort of industry.

We cannot take too narrow an approach to this issue. We should expand it to include everybody involved in employing young people once they have finished school or university. I implore the Government to examine all the options. As I have said, I am disappointed that the motion has been so badly written. *[Interruption.]* It is not my right hon. Friend's motion; it is the shadow Secretary of State's motion. It is badly written—but if it had said, "We want to do this at certain times of people's education and there is some money for it here," I assure hon. Members that I would have supported it. Unfortunately, the Opposition motion does not say that.

9.35 pm

Damian Hinds (East Hampshire) (Con): So much to say, and so little time to say it in.

Many of the contributions from Opposition Members have been about bad careers advice, stereotyping and ambition limiting. The unfortunate point is that guaranteeing that advice will be provided face to face does not get rid of bad advice; all that it guarantees is that the advice will be heard more directly. The title of this debate displayed on the annunciator is "Careers Service (Young People)", but doing real service to young people in their careers is about much more than specifying a certain amount of time with the man from the council. It only happens when the whole education system and the economy work together on young people's careers. We must take a much bigger, broader, holistic view of

[Damian Hinds]

this at a national level, in industry, throughout the education system and in interaction with individual young people.

As we know, we live in a rapidly changing world that has already changed in many ways, not least through the disappearance of many jobs that young people used to do between the ages of 16 and 18 and in terms of the types of skills we need for the jobs that we expect to be available in the future. As the right hon. Member for Leigh (Andy Burnham) rightly said, the range of different jobs that people might now do over their lifetime calls for much more flexibility.

We do not have a great record in this country, historically, of picking winners, but we need to recognise that certain industries will be growth industries at which we need to excel. Without exception they are industries that need greater skills, and we need to help young people to focus on them. We need better links between industry and education, both so industries can inspire young people to want to go and work in them and so that the skills sets that come out of the education system include the things they need as companies, and that we need as an economy and as a country to succeed in the world. There also needs to be a feedback mechanism so that companies and sectors can tell the education system what they are looking for. We often hear complaints about what comes out, but it is not quite so clear what the mechanism for change is.

There must also be opportunities, of course, for young people to experience, sample and gain experience and training in firms, and I welcome the expansion in apprenticeships and work placements. I agree that we must look again at how the internship system works. We have heard about internships from Opposition Members, and a number of Members of Parliament have taken the decision that they will ensure that internships are paid, so that they are available to the full range of young people.

Education as a whole must guide young people towards fulfilling careers. I was surprised that the right hon. Member for Leigh left colleges out of the motion, as they are an important part of the education system. He referred only to schools, but of course the whole system must work effectively. I do not think anybody could doubt the Government's commitment to reforming the education system, both to raise the average level of education and, crucially, to narrow the yawning and embarrassing gap between rich and poor.

I am afraid that in parts of the education system too many young people have not been guided towards fulfilling careers. Let me quote the Wolf report:

> "The staple offer for between a quarter and a third of the post-16 cohort is a diet of low-level vocational qualifications, most of which have little to no labour market value."

At an even earlier stage—coming up to key stage 4—it seems that some young people are guided towards subjects that will boost the school's performance in the league tables more than they might boost the individual's performance in the job market and their opportunities through life. Perhaps they get face-to-face advice: perhaps somebody tells them that all GCSE subjects will be worth the same to them as any other; perhaps somebody tells them that equivalencies will always be accepted in the outside world; and perhaps somebody tells them that getting a GCSE in accountancy, law or financial services is a key step to starting a career in one of those professions.

I welcome what the Government are doing to publish destination data on schools as well as more information on higher education institutions, and I also welcome the reform of the key stage 4 league tables. I also welcome the somewhat controversial—in parts—English baccalaureate. The simple fact is that those core subjects have a premium value among employers and higher education institutions, and we should stop fibbing to young people. It is not a full curriculum. There is plenty of room for options on top of the English baccalaureate, but the best advice we can give to a young person who wants to keep their options as open as possible is to include in what they study those core academic subjects. Of course it will not be for everyone, and I also welcome the Government's moves to ensure that the league tables and metrics recognise equally the progress of every child. We must find new and better ways to ensure that post-16 students are more engaged with mathematics.

In conclusion, the motion talks about guaranteeing good careers advice. I put it to you, Mr Speaker, that the only way to guarantee a good careers service for young people is if all the elements—at national level, in industry, in education, and direct advice for people—are working in concert.

9.40 pm

Mr Iain Wright (Hartlepool) (Lab): May I begin by extending the Opposition's best wishes to the Minister for Further Education, Skills and Lifelong Learning? He always makes these debates an absolute delight and pleasure; frankly, we have missed him today and we very much hope that he has a speedy recovery from his operation.

The debate has not been what I expected, which was more of the yah-boo politics that we have come to expect in the House. I expected to hear, "You spent too much money," coming from one side and, "You don't care about vulnerable people," on the other. I have been struck by how much consensus there has been and what a good, measured, well-informed and excellent tone there has been throughout. At its best, the debate has featured hon. Members being very much in agreement. I pay tribute to all hon. Members who have contributed tonight, particularly to the spirit in which the right hon. Member for Bermondsey and Old Southwark (Simon Hughes) made his remarks. What I did find regrettable, however, were the contortions that he and the hon. Member for Burnley (Gordon Birtwistle) got into in saying, "We agree with every single point that the Opposition are making regarding the motion, but we cannot possibly vote with them tonight," for whatever reason.

Dan Rogerson: The point that might have escaped the shadow Minister is that the Opposition have taken one recommendation out of a whole report and sought to force a vote on something tonight that they never provided for when they were in government. Unfortunately, that brings a yah-boo, cynical element to something that goes much wider. It would be better to debate the full report from the Government and the reaction to that report.

Mr Wright: I disagree. The right hon. Member for Bermondsey and Old Southwark made an excellent and measured contribution about expanding the provision of careers advice to younger pupils, about making sure that we have a wide variety of work experience and about making sure that careers guidance is not offered on a wet Wednesday afternoon, as we mentioned in the Committee on the Education Bill. I agree with every word. This is more complex than it just being about face-to-face guidance, but face-to-face guidance is an important complementary step. I should have thought that he agreed with that and would want to show his support and put pressure on the Government by joining us in the Lobby tonight.

Simon Hughes: The hon. Gentleman knows that I respect his commitment to these issues both before he came to the House and since he has been here. We are very clear that we want the same objective. Tonight is a chance for the Labour party to put its cards on the table, and we have made our position clear about where we want the Government to get to. I believe that they have listened and that the Minister will respond, and I hope that in not many weeks from now we will end up where we all want to be.

Mr Wright: The Minister said earlier that he did not want to rule anything in or out regarding the right hon. Gentleman's recommendations and I should have thought that meant an abstention in tonight's debate to make sure that all the cards were on the table, but that does not seem to be the case. I do think that the Minister is thinking about moving in that direction and I hope that he will accept an amendment to the Education Bill—we will certainly put pressure on him as the Bill makes its way through the Lords—but it is disappointing that, in the spirit of consensus that we have seen in tonight's debate, he cannot make more positive remarks to make sure that we make provision for face-to-face guidance.

Two or three weeks ago, our young people got excellent GCSE and A-level results and, as hon. Members have said tonight, we should all celebrate their success. The Minister said in August that

"we have to make sure we prepare young people for the future, whether they are going onto further education, training or into the workplace."

He reiterated that tonight by saying that it is important for young people to make the right choices in order for them to be guided in the future. We could not agree more, but it is abundantly clear that the Government are failing to do that.

As my right hon. Friend the shadow Secretary of State has made clear, young people are facing the most difficult and turbulent prospects for at least a generation. The modern world is complex and often disorienting and is unrecognisable from what it was a few short years ago, both in its challenges and in its opportunities. The certainties that we had in the labour markets in the 1950s and 1960s when the Minister of State, Department for Education, the hon. Member for Bognor Regis and Littlehampton (Mr Gibb), listened to his gramophone records have gone for good. Much of that change is due to large-scale shifts in global forces, such as the economic rise of China. The present economic situation is made more difficult by the current turbulence in the global economy. I fully accept that when global aggregate demand goes down, additional pressure is placed on youth employment, but the Government's policies are making a bad situation very much worse.

As we heard in an earlier debate today, the loss of EMA, the abolition of the future jobs fund, the scrapping of the young people's guarantee, the trebling of tuition fees and the ending of Aimhigher have made it more difficult than ever for young people in this country to work hard, to get on and to succeed. That implicit contract that we had, in place since the post-war era and shared by successive Governments, that somehow the next generation would do better than the previous generation, is in real danger of being broken. That was made clear in an excellent contribution by my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg).

In difficult and confusing times such as these we need, now more than ever, an effective, functioning and professional careers service to support and navigate young people through the turbulence. We need a personalised service, with close links between the young person and the adviser. We need, as the right hon. Member for Bermondsey and Old Southwark said tonight, face-to-face guidance, helping to motivate, inspire and enthuse young people in difficult times.

In the current economic difficulties, when a young person receives rejection letter after rejection letter, it is neither use nor ornament just to point them to a phone. As my hon. Friend the Member for Huddersfield (Mr Sheerman) said, IT is important but we cannot do it with technology alone. We need a professional to say to that young person; "Keep going," or "I think you should try this," or "This might suit you." As my hon. Friend the Member for Bolton West (Julie Hilling) said, we need in the careers service trusted professionals who know the young people—young people such as Thomas—who can help inspire and motivate them. Tragically, the cuts to such services mean that the professionalism and expertise of careers personnel has been lost, and lost for good.

Time and again in the debate we heard that our young people from places across the country have been denied such opportunities. We heard that from my hon. Friends the Members for Huddersfield and for Darlington (Mrs Chapman), who in a powerful speech expressed her concern that high-quality advice might be confined to those in fee-paying schools.

Ministers in the Department for Education pride themselves on trusting professionals to make the right decisions, but we have had in the last month the astonishing, and possibly unprecedented, situation where a Government advisory group of some 20 renowned experts and professionals considered resigning en masse in protest at the Government's shambolic and incompetent handling of careers services for young people. Steve Higginbotham, president of the Institute of Career Guidance, blasted the Government and stated that the service

"will not be an all-age careers service. It is a rebranded Next Step service for adults plus an all-age telephone advice line and website."

As my hon. Friend the Member for Darlington said, if the Government truly wish to aid social mobility and break the cycle of multigenerational worklessness or low aspiration, they need to provide all possible tools. By removing face-to-face careers guidance for all young people, they are taking one of those vital tools away.

[Mr Iain Wright]

Ministers also often cite international comparisons to support their policies. The hon. Member for South West Norfolk (Elizabeth Truss) cited those a lot tonight. But international evidence shows clearly that devolving such career advice to schools has not worked in other countries. Professor Tony Watts, giving evidence to the Education Committee, stated that in studying 55 countries it emerged that three negative things happen when it comes to school-based guidance. First, impartiality goes out of the window because schools have a direct and vested interest; secondly, there is a weakening in links with the labour market; and finally there is an unevenness in performance in schools. Professor Watts said that two countries, New Zealand and the Netherlands, have recently done what this Government are now doing, and in both cases it resulted in a significant erosion in the quality of help as well as the breadth of its extent.

I mentioned the Education Committee. In its excellent report on participation in education and training by 16 to 19-year-olds, it makes a valued point on the unease about the Government's changes to careers. That was highlighted several times tonight. It draws attention to the fact that the Department for Education's funding commitments to an all-age careers service consists only of online and phone services. As we heard tonight, the Select Committee makes the very clear recommendation that the Departments should fund face-to-face careers guidance for young people under the age of 18. Opposition Members very much agree.

So I ask the Minister—for the sake of his career, let alone the careers of hundreds of thousands of young people—to look again at this important matter. Will he listen to the impassioned pleas made tonight by hon. Members on both sides of the House? Will he consider the almost unanimous view of professionals? Will he take on board the Education Committee's reasoned comments? Will he listen to what is best for young people? Will he listen again to the right hon. Member for Bermondsey and Old Southwark and act urgently to guarantee face-to-face careers information, advice and guidance for all and not just some young people in schools? Listening to the speeches made by hon. Members on both sides of the House, that definitely seems to be the will of hon. Members tonight. I commend the motion to the House in a spirit of consensus.

9.50 pm

The Parliamentary Under-Secretary of State for Education (Tim Loughton): First, I agree with the shadow Minister that we have had a lively, good-humoured and balanced debate this evening, even if it has lacked the sagacity and flair of my hon. Friend the Minister for Further Education, Skills and Lifelong Learning. I am sure that we all wish him well in his recovery.

I must repeat that the Secretary of State is not here this evening because, heeding the shadow Secretary of State's advice, he is not hiding his head in an ivory tower; he is out meeting 100 excellent head teachers who have gone to see him to talk about weighty matters—five times the number of Labour Members who bothered to come to the Chamber to listen to the shadow Secretary of State when he opened the Labour party's debate in this Opposition day earlier this evening, so let us get things into perspective.

We heard the same old script. Whether it is "Groundhog Day", which was mentioned by my hon. Friend the Member for Reading West (Alok Sharma), a wind-up gramophone—a phrase used by my hon. Friend the Minister—or an over-heated iPod, the shadow Secretary of State and the hon. Members for Halton (Derek Twigg), who is not here, and for Bolton West (Julie Hilling) came out with the same old stuff: where is the money? They should tell us where the money went. Where did the money go? Why did we have such an inheritance, which meant that difficult decisions had to be made? Why has face-to-face advice become such a totemic issue? If it was such a be-all and end-all that it had to be guaranteed, why did the previous Labour Government, in 13 years of running the careers service, never offer that guarantee? Why has it become so totemic now?

It was an understatement par excellence by the shadow Secretary of State when he said that the previous system was not perfect. He is dead right that it was not perfect. Labour Members left a system where youth unemployment had risen from 664,000 to 924,000 on their watch and where the number of NEETs aged between 15 and 19 rose from 8% to 8.8% when it was falling in other OECD countries. They left far too many of our young people without the basic literacy and numeracy skills that they need to get any career going at all.

Labour Members trotted out the same old platitudes and clichés. The right hon. Member for Leigh (Andy Burnham) said that we are interested only in the elites. If pioneering a pupil premium for the most disadvantaged young people from the most disadvantaged estates in this country is an elite, call me elitist. If giving special treatment to those children in care who suffer appalling outcomes after 13 years of Labour Government is elite, call me elitist. If it is elitist to offer 250,000 additional apprenticeships and 80,000 more work experience places and to ensure that we will raise the participation age, despite the financial pressures at the moment, call me an elitist. Our view of elitism is to ensure that every child in this country gets a fair crack of the whip and a fair opportunity to get a decent career—something that got worse under the previous Government.

The hon. Member for Darlington (Mrs Chapman)—the successor to Alan Milburn, who came up in just about every speech that we heard—gave us the most unparalleled outpouring of stereotypes that I have ever heard in 14 years in the House: the feminine qualifications of cake decorating and the colour of cars. She talked about social mobility and said, "If Labour is about anything, it is about social mobility." Why, then, after 13 years of Labour, at key stage 4 did 68.5% of non-free-school-meal pupils achieve five or more A to C grade GCSEs or the equivalent, compared with only 30.9% of free-school-meal pupils? Why did only 8% of free-school-meal pupils take the E-bac, with 4% achieving it, as against 24% of non-FSM pupils? Why, at age 18, are 29% of young people who have claimed free school meals not in employment, education or training? That is more than double the rate for those who had not claimed free school meals, for whom the figure is 13%. If that is social mobility under Labour, I do not want any of it. It is up to this Government to do something about social mobility, which Labour talked and talked about but delivered in reverse.

The hon. Member for Huddersfield (Mr Sheerman), whom I respect greatly as a former Chair of the Select Committee, said that in his day technology alone would certainly not have solved the problem. Of course it would not; technology has moved on enormously in the past 10 or 20 years. Who, 20 years ago, would have envisaged ringing up NHS Direct to get medical advice, or using computer programs to get mental health advice? It is horses for courses. He talks about localism; what localism means for us is leaving it up to the expertise in the schools—the professionals, teachers and heads—to decide whether careers advice should be given face to face, over the internet, over the phone, or even by retaining Connexions. *[Interruption.]* If Labour Members listen, they will learn something, I hope. I have four minutes to try to get them to learn something, but they are in denial about where the money went, about where the £200 million exclusively to guarantee face-to-face interviews will come from, and about social mobility, when they know that it went the wrong way under Labour.

I pay tribute to my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) for the work he has done on the subject, and for his report. He is interested not in numbers, but in quality. He says that there has been a proliferation of courses and qualifications, and he is absolutely right. That is why we are ensuring a concentration on good-quality, core subjects that people can understand—subjects in which employers want the people whom they take on to have qualifications.

My hon. Friend the Member for South West Norfolk (Elizabeth Truss), in another excellent and typically thoughtful speech, said that we need pupils to have a core general education. We need real subjects for real jobs. Teachers, who did not feature much in the contributions of Opposition Members, have a crucial role in inspiring young people in the classroom. In the same way, people from industry—engineers, business men and women, scientists, doctors—who were mentioned by several hon. Members, have a crucial role to play in coming into classrooms and giving their face-to-face advice, and experience of what it is like to go into their career.

The hon. Member for Liverpool, West Derby (Stephen Twigg) gave some very good examples of good practice in his constituency. He talked about an industry day, when real people come in and share their real-life experiences to inspire others. We are talking about people who have lived those experiences, trained for those experiences, and are making a living from them. All that can happen under the new system; it is up to the schools to decide, because we trust the schools. We trust the teachers and head teachers to make the right decisions on the ground, locally, for the children whom they teach, and to have an interest in what those children go on to do.

My hon. Friend the Member for Reading West (Alok Sharma) talked about "Groundhog Day"; he got it absolutely right. You would not believe it from the opening speech, or from other contributions from Labour Members, but there was never a golden age of careers advice. It was as if things had suddenly gone down the plug-hole after the election. The hon. Member for Bolton West (Julie Hilling) talked about the youth service, as she often does; she has expertise in the subject.

Ms Rosie Winterton (Doncaster Central) (Lab) *claimed to move the closure (Standing Order No. 36).*

Question put forthwith, That the Question be now put.

Question agreed to.

Main Question accordingly put.

The House divided: Ayes 220, Noes 288.

Division No. 349] **[9.59 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hoey, Kate
Hood, Mr Jim
Irranca-Davies, Huw
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark

Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Mactaggart, Fiona
Mahmood, Shabana
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
O'Donnell, Fiona
Onwurah, Chi
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mark Hendrick and Gregg McClymont

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, rh Mr Simon
Burrowes, Mr David
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Grant, Mrs Helen
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark

Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Patel, Priti
Penrose, John
Percy, Andrew
Phillips, Stephen
Pincher, Christopher
Poulter, Dr Daniel
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Soames, rh Nicholas
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Stephen Crabb and Norman Lamb

Question accordingly negatived.

Business without Debate

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)),

RIGHTS OF THE CHILD

That this House takes note of European Union Document No. 7226/11, a Commission Communication on an EU Agenda for the Rights of the Child; welcomes the Government's commitment to children's rights and urges that any European Union-level action in this area supports rather than supplants the role of Member States.—*(Miss Chloe Smith.)*

Question agreed to.

PETITIONS

Swansea Coastguard Station

10.16 pm

Martin Caton (Gower) (Lab): I present a petition on behalf of the "Save Swansea Coastguard" campaign, which in a few weeks has collected more than 100,000 signatures in opposition to the closure of the coastguard station at Mumbles, Swansea.

The petition states:

The Petition of people concerned about maritime safety in the Bristol Channel,

Declares that the recommendation of the UK Government to close the Swansea Maritime Rescue Coordination Centre at Tutts Head, Mumbles, would endanger the lives and wellbeing of people on the water and around the coast of the Bristol Channel.

The Petitioners therefore request that the House of Commons press the UK Government to retain the Swansea Maritime Rescue Centre as a 24-hour staffed coastguard station.

And the Petitioners remain, etc.

[P000957]

Lauderdale Avenue Tram Crossing (Blackpool)

10.17 pm

Paul Maynard (Blackpool North and Cleveleys) (Con): I should like to present a petition from the people of Blackpool and Cleveleys.

The petition declares:

The Petition of the people of Blackpool and Cleveleys,

Declares that the Petitioners are opposed to the permanent closure of the Lauderdale Avenue/Blandford Avenue crossing to traffic and pedestrians.

The Petitioners therefore request that the House of Commons urges the Government to encourage Blackpool Council to ensure that the Lauderdale Avenue/Blandford Avenue crossing remains open.

And the Petitioners remain, etc.

[P000959]

Port of Falmouth Masterplan

10.18 pm

Sarah Newton (Truro and Falmouth) (Con): This petition states:

The Petition of the residents of Falmouth,

Declares that the Petitioners believe that the dredging of Falmouth Harbour should be permitted to go ahead so as to enable the implementation of the Port of Falmouth Masterplan which is essential to the future prosperity of Falmouth.

The Petitioners therefore request that the House of Commons urges the Government to ensure that the Marine Management Organisation strikes the appropriate balance between environmental protection and social and economic development, with particular regard to the Port of Falmouth Masterplan including the dredging of Falmouth Harbour.

And the Petitioners remain, etc.

[P000958]

Microgravity Research

Motion made, and Question proposed, That this House do now adjourn.—*(Miss Chloe Smith.)*

10.19 pm

Dr Phillip Lee (Bracknell) (Con): This is a rather esoteric subject on the face of it, so I should like to explain why I have chosen it. I am vice-chairman of the parliamentary space committee, and as a consequence of that role I have come into contact with many people in the space industry who have spoken to me about microgravity, the research thereof and its potential value to the British economy. I do not have any direct constituency link, although I have a local company that provides equipment for satellites. In the past decade, the UK space industry has been growing, year on year, at a rate in excess of 10%. I genuinely think that it should be part of the Government's growth strategy and that it would contribute to the diversification of this country's economic base. I have had the particular pleasure of meeting Tim Peake, who is the only British astronaut on the European Space Agency manned programme, and who also happens to be a champion of microgravity. That is quite important, because it indicates how good we are in Britain at research in this area.

Why have microgravity research? First, as I said, the UK is very strong in that area. Microgravity crosses a large number of fields, and that may contribute to why it has not always received support from the research councils. Secondly, it has huge potential economic benefits, particularly in bio-medicine. Thirdly, I do not think I am alone in this House in thinking that we should have a manned space flight programme. We need to do that with partners—perhaps with Europe, Russia or the United States—but I genuinely believe that we are better off seeking out new knowledge, endeavour and aspiration. All those things are positives, and Britain was at its best when it was displaying those facets.

Let me explain the structure of my speech. First, I will explain microgravity. I am sure that all colleagues here understand it fully and do not need a definition, but I will provide it for the benefit of the many people who have tuned into BBC Parliament for this debate. I will then touch on the sectors that microgravity research can impact on; talk about the history of the involvement in microgravity research, or the lack thereof, of Governments, this one and previous; and put some questions to the Minister.

As life evolved on this earth, lots of physical and chemical change took place in the environment that caused adaptations to take place in life, be it plant or animal. The only thing that has been constant in 4.8 billion years is gravity. It is therefore thought that organisms now have little or no genetic memory of how they would respond to low gravity, and that the low-gravity environment could uncover some novel mechanisms and responses to adaptations that may benefit the economy through commercial applications. That is basically why researchers are so eager to get into space, so to speak, to test the impact of microgravity.

This definition is just one of many I have read:

"Microgravity research = the research into the impact of low or zero gravity on human health and on other materials, and the exploitation of the low gravity environment to conduct research into pure science and human applications."

We can create such low gravity here on earth in drop towers—something like those found at Alton Towers—or through parabolic flights. However, the best place for it to happen is in space. It can be done by a sounding rocket; at the moment, it is done at the international space station. Why conduct the research? Put simply, gravity adds complexity to certain experiments by contributing to convection currents, shear stresses and buoyancy, and that can impact on processes that we would like to study. In order to try to remove those potentially confounding variables from the experiment, one needs to go into a microgravity environment, and the best place for that is in space.

Let me turn to the sectors that may be impacted on, both economically and in terms of human knowledge and pushing back these boundaries. First, I will mention bio-medicine; as a doctor, I would be expected to do so. The bio-medical applications are numerous. Essentially, it is thought that putting cells—any cells—into a microgravity environment affects the way in which they work. Understanding how cells work and how they communicate with one another will have broad applications in the study of cancer, coronary heart disease, AIDS and diabetes. We can all understand that that might lead to the development of new therapies and drugs that would benefit mankind. In economic terms, if British patents were attached to such developments, UK plc would benefit.

One can also grow pure protein crystals in microgravity, and by doing so aid the understanding of the immune system, which would again benefit health care. One of the most noted areas is musculoskeletal systems and the response of bone and muscle. I am sure that most hon. Members know that spacemen who have spent lots of time in space have been found to have reduced bone density and muscle wastage. Why that happens is not fully understood. By trying to understanding that and how tissue remodels, we may very well find new techniques to treat musculoskeletal disorders.

Another sector where microgravity can be used is fluid physics. The understanding of the forces that affect fluids has wide applications. If we can understand them better, it might contribute to the miniaturisation of electronic devices. The BlackBerrys and laptops that we use have all benefited from greater knowledge in this area. Using these developments will undeniably lead to a reduction in costs for the customer when they buy such electronic devices at John Lewis and elsewhere.

Jim Shannon (Strangford) (DUP): I am not an expert in microgravity research—far from it—but I had a wee look at it before the debate. I understand that some microgravity research has looked at earthquakes and the pre-warning of earthquakes. Perhaps the hon. Gentleman would comment on that, because obviously if people can be warned of earthquakes and tremors, it might save life.

Dr Lee: I have absolutely no idea about the prediction of earthquakes and I am struggling to think why an understanding of microgravity would help to determine when there might be an earthquake. The hon. Gentleman has given me something to look up when I leave the Chamber.

The final area is material science. Understanding how materials or composite materials behave in a microgravity environment might help to develop new alloys and ceramics. That has broad applications. We are at the cutting edge in Formula 1 and in the use of composite materials and alloys. That knowledge originally came from the space sector. By doing this research we will enhance our standing in that area.

This list is not exhaustive. A variety of different sectors are involved. In the area of plant biology, I have seen the suggestion that plant stem cells could be grown on an industrial scale in space, thereby assisting us in our need to develop biomass for energy. I could go on.

Moving on to the history of Government involvement in microgravity, the Pippard report of 1989 was the first mention that I could find. It made some interesting observations that have since proven to be true. The Wakeham review of 2003 found a lack of interest among the research councils, which goes back to the point I made at the start of my remarks that microgravity does not have a single voice. That is why it has not received funding in the past. As a result of the Wakeham review, Britain did not contribute to the European Programme for Life and Physical Sciences—ELIPS—with the European Space Agency, which was started in 2001 and is ongoing. The ELIPS 4 funding round is due at the next ministerial ESA meeting in 2012. I would push for us to participate in that, not least because doing so would allow us to work with NASA, which will not work with us outside ESA as I understand it.

Finally, I have some questions for the Minister. First, will he confirm that the Government are not against manned space flight? For some time in this country, it was Government policy to be against manned space flight. I think that manned space flight is inspirational. Anybody who goes into a school on a science, technology, engineering and mathematics day will find children building rockets and looking at pictures of planets. The reality is that space inspires children and that we will need more scientists and engineers in the future. I spoke about the inspirational quality of space in my maiden speech—I do not know how many hon. Members who are present were here for that. I strongly believe that there has to be a man on top of the rocket for it to be inspiring.

Secondly, will the Minister outline the Government's position on the ELIPS programme and the ESA manned space flight programme in anticipation of the 2012 ministerial meeting? I ask that because for about £200 million a year we could participate in that programme. Over a 20 to 25-year period, we could perhaps participate in the exploration of the moon and, further, of Mars. That may seem an extravagance to some, but it is not. For every $1 spent on the Apollo space programme, it was estimated that the US economy got $14 in return.

We can make money out of space—it is as simple as that. Britain is outstanding at space, and we do it on a shoestring in comparison with some of our competitors. I think that in future, we should be a greater player in space. I know that the Minister shares my feelings on that. I forget the figures, but we are projected to increase our space industry over the next 10 years, and I am wholly supportive of that.

What is the Minister's opinion on a microgravity forum? I have had e-mails from around the world since I tweeted that I would introduce this debate, and I have met people, and it is interesting that there is not one, single voice for microgravity. Microgravity perhaps needs that one voice, but does the Minister have any views on that?

Finally, more generally, as a new boy in town, I get the distinct impression that Whitehall is risk averse. If there is one thing that we cannot be when it comes to space, it is that. We have to go for it. I am encouraged that the Government have in the last year announced changes to legislation with regard to aiding the space industry—it relates to space insurance—but ultimately, Whitehall remains risk averse. I would be interested to know the Minister's view on that.

The best way to conclude is by quoting an e-mail that somebody sent. He ended one paragraphs as follows:

"In addition to providing benefits to society"

microgravity

"research will also help the UK to maintain some degree of scientific relevance - scientific capability in a nation is a recognised necessity for economic development."

I could not have put it better myself, and that is why I called for this debate.

10.32 pm

David Morris (Morecambe and Lunesdale) (Con): I congratulate my hon. Friend the Member for Bracknell (Dr Lee) on securing this important debate, which is particularly timely given that we are gearing up for the ESA conference in 2012, in which the funding priorities for the industry will be set for the future. As a result, the UK's involvement in the ESA will also be forged.

May I thank Tom Gunner and Sarah Chilman from the parliamentary space committee for the work that they do all year round in promoting space? Unlike many other industries, space does not have lots of lobbyists with huge budgets, but the small team at the PSC is none the less effective. I must also thank Astrium for allowing Tom and Sarah to undertake their important work.

The space industry has grown 10% year on year. It is one of this country's major success stories, but it has not been sung out loudly. For most people, the space industry seems distant—both literally and figuratively—but we need the public to understand just how big an impact that high-tech industry has on our lives.

Like my hon. Friend, I am a vice-chair of the PSC, and many of my constituents ask why an MP from a northern Lancashire constituency would take an interest in space. I point out to them that there are important benefits from the space industry, including high-tech jobs in places such as Bracknell and the M4 corridor. Perhaps more importantly, however, space technologies impact on areas such as Morecambe and Lunesdale and people's day-to-day lives.

Owing to the space industry, people can get around easily by sat-nav and explore areas of the country that they would not ordinarily be able to go to and find their way around; we can roll out fast satellite broadband to rural areas; and we can watch satellite television, which has brought a wider entertainment choice to everyone. Those industries are direct spin-offs of the space industry. Even though the space industry does not have major funding, it is a success story year in, year out.

[David Morris]

Space delivers a host of everyday benefits—some might even say that they are mundane—but we are not always very good at pointing out those successes. We can all agree that although we have led the way on space in general, we have lagged behind badly in microgravity research.

I add my name to the list of those who believe that we should be involved in ELIPS and, by extension, the international space station. It cannot be right that Germany funds 50% of it. The widely accepted tradition of the UK being negative about putting scientists into space should end, not least because space tourism and exploration are going to become boom industries in the future, in the same way as transatlantic shipping and air travel became hugely popular in a short space of time. We do not want to be on the list of countries left behind by this exciting new development in human history.

I have asked the Secretary of State about our preparedness for the next European Space Agency ministerial council, and I am glad that things are progressing well, but we need the Government to set, as a central aim for that conference, greater UK involvement in microgravity research. It is important that we ride on the back of this industry. Future generations are looking to science as a cool subject to be involved in. A report by the Science and Technology Committee, of which I am a member, has shown that young people are engaging particularly well in anything to do with space exploration. Amazingly, when I was a small boy, I made an Apollo rocket, like many Members here, from an Airfix kit. I am sure that we can all remember sitting at the kitchen table gluing our hands to our faces and everywhere but the model itself. Funnily enough, my little boy, Robert, found my Saturn 5 rocket that I made—I had forgotten that I still had it. I grudgingly put it back together. It brought back happy memories, but I looked at my eight-year-old son, and he turned around and asked, "Dad, why are we not going to the moon again?" I think that that was very poignant.

10.36 pm

The Minister for Universities and Science (Mr David Willetts): This has been a rather special Adjournment debate in which the passion of colleagues for space travel and the space sector has been exposed to wider debate. I congratulate my hon. Friend the Member for Bracknell (Dr Lee) on securing the debate and leading it so well. I also thank my hon. Friend the Member for Morecambe and Lunesdale (David Morris) for his speech, because he also spoke with the authority that comes from being a member of the parliamentary space committee. It is also great to see in his place my hon. Friend the Member for Windsor (Adam Afriyie), who does an excellent job as the chair of that committee. We have people here who rightly care about space.

I would like to make it clear that the Government realise the significance of the space sector, which is why we have tried to support the space industry even during the tough fiscal decisions that we have had to take. Through my role as co-chair of the space leadership council, I have a good and constructive dialogue with the industry, and we were able to get a section of the growth review devoted specifically to the space industry. The space sector matters in lots of different ways. It is crucial to scientific and technological advance. We undoubtedly conduct high-grade scientific research through the space programme, and the technological challenges posed by the programme drive technology forward.

As we have heard, with 10% growth a year, the space sector is a rapidly growing part of the British economy. There are not many parts of the British economy growing as fast as China, but the space sector is. I absolutely agree with the final point from my hon. Friend the Member for Morecambe and Lunesdale that the excitement of space can get younger people involved in science. As someone who wants more and more young people excited by space, I believe that, by and large, it is space and dinosaurs that interest young people in science. In America, they still talk of the generation of scientists and technicians that came through as a result of the Apollo effect getting them interested and involved. The space sector has a lot to contribute, and within the inevitable constraints on public spending, we are doing our best to back it.

I was asked some specific questions that I will try briefly to answer. The first was about manned space flight. I should make it clear that the UK has historically focused its space investments on areas such as telecommunications, earth science and robotic exploration of the universe; and, as we are not directly involved with the international space station, we have not developed human space flight technology, although we have the relevant technology for the future exploration of the moon and Mars, including advanced robotics—of which the ExoMars rover programme is a classic example—communications systems and small satellites. So that is the view that we have taken, historically.

I was asked whether we had any objection in principle to a manned space flight, and the answer is no, although there will always be pertinent questions about cost effectiveness. The Government are delighted that Major Tim Peake has been selected on merit to join the ESA astronaut corps. That will be a great opportunity for him to inspire young people in the UK; indeed, I know that he is already doing so. So that is our attitude to manned space flight.

I was also asked specifically about microgravity. It would be correct to disentangle microgravity research from the manned space flight issue. It is possible to research microgravity without getting involved in manned space flight, and we do understand the value of microgravity research. There are difficult obstacles to overcome, however. First, the range of topics is so wide that there is no coherent voice to articulate the needs of the researchers, as my hon. Friend the Member for Bracknell said. I understand that point. Secondly, materials researchers do not normally work with biomedics or astrobiologists, but they would all find microgravity important in pursuing their research. The researchers who would benefit from microgravity research therefore comprise a rather fragmented and diverse group, but my hon. Friend eloquently argued that it would be helpful if they could come together to provide a more coherent voice.

Historically, the UK has had little involvement in microgravity research, so the researchers are largely unaware of the possibilities involved. Let me make it clear that I would welcome new collaborations, including the ones that are now developing, and new ways of serving the interests of UK researchers and those of our international partners.

Stephen Barclay (North East Cambridgeshire) (Con): I was interested to hear about the Government's support for a forum. Would my right hon. Friend support ministerial attendance at such a forum, if one were to be established?

Mr Willetts: As I hope those in the space sector know, I am personally committed to working closely with the sector. The idea of a microgravity forum is very worth while, and it would be great if people who could benefit from microgravity research came together. If it would make sense to do so, I would be willing to meet such a group, but I must stress that I am working within a fixed science budget. We have the protection of the ring fence around the £4.6 billion, and we are all very proud of that illustration of our commitment to science, but I have to work within that budget. So, provided that ministerial attendance did not give rise to the assumption that the Minister would come to the meeting armed with a cheque book, I would be happy to attend. We could then purse the matter from there.

Adam Afriyie (Windsor) (Con): The research council model for funding research has worked incredibly well over the decades since it was established in the 1980s by Lady Thatcher when she was Prime Minister. I wonder whether the Minister might write a letter urging the research councils to consider such a forum or meeting to facilitate an interest in it.

Mr Willetts: It would be best if there were ways in which the research community could come together, but I am always wary of anything that could be taken as a breach of the Haldane principle, which hovers over all these debates. We have to be very clear in regard to giving instructions or directions on areas of research activity. One of the reasons that we have an excellent science research base in this country is that, by and large, Ministers have kept their grubby hands off these issues.

As I said, I have tried to indicate that I recognise that microgravity research could play an important role. It has suffered from the structural problem of having such a diverse and different range of disciplines that could benefit from it. I can see the argument for them coming together in a more coherent way and I would be happy to look at that. Of course, many of the decisions would ultimately be for the research councils.

Let me briefly say in the few minutes remaining that a lot of this stuff will come up as we plan for the European Space Agency ministerial council in 2012. No doubt we will be invited by the ESA to join its microgravity research programme, ELIPS. I am told that the UK Space Agency has already held a workshop with researchers and providers of facilities to explore their mutual interests, and it will be holding a further workshop in November to examine the opportunities presented through the ESA's programmes. As we prepare for the next ESA ministerial, we are of course considering this alongside many other options.

Let me conclude by saying that we recognise the significance not just of microgravity, but of the presence of people like Major Tim Peake who are aiming to become astronauts. I am delighted that Tim Peake has said that he will act as an ambassador for microgravity research in the UK. Because of our ambition that he should be able to engage in space flight, it is great that he is willing to take on that role. I am confident that, as part of that role and of the UK Space Agency's work, we will consider the proposed strategy for space biomedicine that the UK space biomedical consortium is developing with Tim's help. It will continue to facilitate negotiations between UK research groups and prospective international partners.

I should like to assure the several Members in their places today who all share this interest in space research—my hon. Friend the Member for Bracknell has done an excellent job in bringing this crucial subject to our attention—that I will undertake, given my ministerial responsibilities, to follow the debate on microgravity research very closely as we prepare for the ESA ministerial next year.

Question put and agreed to.

10.47 pm

House adjourned.

House of Commons

Wednesday 14 September 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

TRANSPORT FOR LONDON (SUPPLEMENTAL TOLL PROVISIONS) BILL [*LORDS*] *(BY ORDER)*

Second Reading opposed and deferred until Wednesday 12 October (Standing Order No. 20).

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Remploy

1. **Jim McGovern** (Dundee West) (Lab): What recent discussions he has had with the Secretary of State for Work and Pensions on Remploy's operations in Scotland. [70960]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): The Government are totally committed to supporting disabled people into employment, and the amount of money going into that is being protected. A consultation event on the future strategy of Remploy is taking place in Glasgow today, and Remploy staff have been invited to attend.

Jim McGovern: As job losses continue to increase in my constituency, can the Minister say whether he intends to engage with the Department for Work and Pensions to ensure that the Remploy jobs in Dundee are protected?

David Mundell: I can assure the hon. Gentleman, who is a doughty fighter for Remploy, that no decisions have been made. I understand that he attended a meeting in the Scottish Parliament organised by Helen Eadie MSP that undertook to submit a response to the consultation on Remploy, and that response will be welcome.

Stewart Hosie (Dundee East) (SNP): The Dundee Remploy factory is in the constituency of the hon. Member for Dundee West (Jim McGovern), but many of my constituents work in it. The factory makes first-class chemical and biological suits, which are required by the emergency services and the military. I urge the Minister to speak not just to the Department for Work and Pensions, however important that might be, but to the Ministry of Defence and the Home Secretary to ensure that the emergency services and the military look carefully at what Remploy produces and, in particular, the quality of the suits that the Dundee factory makes.

David Mundell: The hon. Gentleman will know that his constituency neighbour has already met the MOD, which has confirmed the high standard and quality of the work Remploy does in its Dundee factory. However, I urge the hon. Gentleman and everyone in Scotland with an interest to take part in the consultation.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): I am sure that the Minister is aware that as well as the Dundee factory there are seven other Remploy factories in Scotland. Does he accept that while his colleagues in the Government are talking about the importance of manufacturing it would be crass and foolhardy to embark on the closure of factories that provide goods and jobs, where public sector procurement could make the difference to ensure that they are viable in future? Will he make representations across Government to ensure that the jobs in those eight factories in Scotland are protected?

David Mundell: I am sure that the hon. Gentleman agrees that it is not acceptable that around 50% of disabled people are out of work and that those who are in work often do jobs that are far below their potential. Closing the unemployment gap between disabled and non-disabled people could boost the overall economy by £13 billion, and the Government want to achieve that. We are undertaking a consultation; I urge him and everyone with an interest to take part in it.

Energy Prices

2. **Jim Sheridan** (Paisley and Renfrewshire North) (Lab): When he last met representatives of the six largest energy providers in Scotland. [70961]

5. **Anas Sarwar** (Glasgow Central) (Lab): What recent representations he has received on increases in prices for electricity and gas by the main energy suppliers in Scotland; and if he will make a statement. [70964]

The Secretary of State for Scotland (Michael Moore): Energy price increases continue to be a matter of concern to the public and the Government. I recently discussed the issue with the six largest energy providers in Scotland as well as with consumer groups.

Jim Sheridan: I thank the Secretary of State for that response, but he will no doubt be aware that the energy companies are now just a major cartel. I therefore suggest one of two options for him: either to give Ofgem the power to say no to the energy companies when they come forward with huge increases; or—even better—to return that power to this House.

Michael Moore: We share the hon. Gentleman's desire to be vigilant about everything that we see in the energy market, which is why the work of Ofgem and my colleagues in the Department of Energy and Climate Change is so important. The latest discussions with the energy companies took place in the last couple of weeks, building on those that I had earlier in the year.

The energy companies are in no doubt that the Government expect them to look carefully at all their pricing policies, and I assure the hon. Gentleman that we will continue to be vigilant in that respect.

Anas Sarwar: One hundred thousand pensioners in Glasgow face cuts totalling £4 million to their winter fuel allowance this year. At the same time, energy companies are putting up their prices by up to 20%. Does the Secretary of State agree that no pensioner in the UK should have to choose between heating their home and putting food on the table? If so, what is he going to do about this?

Michael Moore: The hon. Gentleman is right to focus attention on some of the most vulnerable people in society, both in Glasgow and elsewhere in Scotland. I would point out to him that the winter fuel allowance will return to its previous level, as planned by the previous Government, and that the cold weather payments—on which we spent over £50 million last year—will continue at a higher level than before. I know that the hon. Gentleman studies these matters carefully, and he will be aware that, through our Warm Home discount scheme—a statutory scheme that is replacing the previous voluntary scheme run by the energy companies—we will ensure that we get more than double the amount of assistance to vulnerable households this winter and during the winters ahead.

Miss Anne McIntosh (Thirsk and Malton) (Con): I hope that the Secretary of State will take the opportunity to talk to renewable energy providers about the fact that the only way of getting the electricity generated in that way into the grid is via overhead pylons. Given that undergrounding takes place in alpine countries, will he insist that that happens in the highlands and the north of England as well?

Michael Moore: I understand the sensitivity of the issue that my hon. Friend raises; indeed, it occurs across the country. This matter must be carefully considered, and the proposals for the transmission network must take full account of environmental and other planning considerations.

Malcolm Bruce (Gordon) (LD): In his discussions with the energy companies, has the Secretary of State discussed the 1 million households that are not on the gas main? What are the energy companies going to do to extend the gas main and give those households the opportunity to use a cheaper fuel than oil?

Michael Moore: We are keen to ensure that consumers have as much choice as possible, whether through extending the transmission networks for all different kinds of energy or through looking at ways of enhancing competitiveness in the market by increasing transparency and improving smart meters. All those measures need to be looked at, and I will certainly put the right hon. Gentleman's point to the energy companies the next time we talk.

Mr Mike Weir (Angus) (SNP): In those discussions about off-grid gas consumers, did the Secretary of State talk about the escalating price and the need to avoid a repeat of the difficulty in ensuring supplies during the severe weather last winter?

Michael Moore: People are acutely aware of the problems caused by the weather last winter and the winter before that. That is why the measures to keep resilience in the network are particularly important. Equally, however, we need to recognise that that adds cost to consumers, which is why we are maintaining the cold weather payments. We will also have the winter fuel allowance and, through our new measures, we will enhance the support for vulnerable people across Scotland.

Jo Swinson (East Dunbartonshire) (LD): Many of my constituents, particularly those on low incomes, are struggling with the large increases in their gas and electricity bills. I very much welcome the recent news that Ofgem has brought in a firm of specialist auditors to help its investigation into whether the high energy prices are really justified, and I look forward to seeing its report at the end of the year. Will the Secretary of State and his colleagues ensure that Ofgem has all the necessary support to carry out a thorough investigation, and sufficient powers to sanction the big six, in particular, if, as I expect, it finds that they have been acting unfairly?

Michael Moore: Certainly, a feature of the discussions that I have been having recently is that many of the energy companies recognise that they need to regain the trust of the consumer concerning price rises and the reasons that they have come about. In the next few weeks I will be bringing energy companies and consumer groups in Scotland together to look at these issues in detail. I will ensure that the companies focus on the appropriate responses and that we take away whatever work we need to do.

Ann McKechin (Glasgow North) (Lab): Given that surveys conducted by Consumer Focus Scotland show that nine out of 10 people who bought energy products on the doorstep would never do so again, does the Secretary of State agree that it is time for all energy providers in Scotland—not just four—to end the practice of cold calling? If so, when will the Government introduce legislation to ensure that this foul practice ceases?

Michael Moore: I join the hon. Lady in condemning the sharp practice that has been on display in many parts of the country, particularly in Scotland. That is one of the issues that we will discuss in the meeting that I mentioned in my answer to my hon. Friend the Member for East Dunbartonshire (Jo Swinson). We are determined to get the companies to recognise that that is an unacceptable practice.

Ann McKechin: At a time when Scottish and Southern Energy will be adding an average of £171 a year to each of its customers' electricity and gas bills, tipping thousands of people in Scotland into fuel poverty, and when other energy providers are following suit, does the Minister agree that it is unfair and morally inappropriate that its chief executive officer received a bonus of £2 million on top of his £840,000 salary when the wholesale prices of energy were actually going down?

Michael Moore: Remuneration is a matter for the energy companies themselves, but all of us have to ensure that we are carefully focused on the performance and behaviour of all these companies, which is why

I have been ensuring that their focus is on what their consumers, and particularly the most vulnerable, need. The hon. Lady is right to focus on fuel poverty: at the end of 2009, a third of Scottish households were measured to be in it. The measures I have already outlined will go a long way towards helping to tackle it.

Highlands and Islands (Economy)

4. **Mr Charles Kennedy** (Ross, Skye and Lochaber) (LD): What recent assessment he has made of the prospects for the economy of the highlands and islands; and if he will make a statement. [70963]

The Secretary of State for Scotland (Michael Moore): Despite challenging international circumstances, the UK and Scottish economies are growing, rebalancing and creating jobs. The Government are creating a new model of economic growth that is more evenly balanced across the UK.

Mr Kennedy: I thank the Secretary of State for that reply. He has welcomed, as have we all across Scotland, the formal confirmation of university status for the University of the Highlands and Islands. As he knows, the university has put in an application to the Scottish Government for an additional £3 million in view of the extra demands now being placed upon it. Is that something to which my right hon. Friend can give his discreet support?

Michael Moore: I am always happy to look at these cases and provide support as necessary. My right hon. Friend is absolutely right to say that this is an important step forward for the highlands and islands. I hope that the Scottish Government will reflect carefully on what he and others have been saying.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): Yesterday I had an Adjournment debate in Westminster Hall on fuel duty. Is the Secretary of State aware that the duty is then subject to tax by VAT?

Michael Moore: I think that everybody in the House is aware of the realities of fuel taxation. I am therefore sure that the hon. Gentleman was welcoming the fact that in our Budget earlier this year we reduced fuel duty rather than increasing it in the way the previous Government had planned. This question gives me the opportunity to remind the House that we have made further progress in the derogation for highlands and islands fuel prices, which is very welcome news indeed, so that we can get a reduction in fuel duty in the islands.

Mr Alan Reid (Argyll and Bute) (LD): The highlands and islands economy is being held back by the high price of fuel. I warmly welcome the Government's progress on the island fuel discount and on the cut in fuel duty in this year's Budget. However, a further increase in fuel duty is planned for January; if the price of fuel remains high, I hope that that will not go ahead. Will the Secretary of State make representations to the Chancellor?

Michael Moore: I am very aware from my own travels around Scotland, particularly to my hon. Friend's constituency, of the extremely challenging circumstances for users of cars and vehicles across rural areas and, indeed, all of Scotland. I therefore particularly welcome, to repeat my earlier point, the Budget reduction and the European Commission's announcement about its support for our derogation. We want to keep all these things in balance. My hon. Friend's comments will have been heard by the Chancellor, but he alone is responsible for taxation matters.

Angus Robertson (Moray) (SNP): It is to be welcomed that unemployment is down in Scotland and that employment is up, but challenges remain, not least in the north of Scotland where, because of defence cuts, £30 million will be lost every year due to the closure of RAF Kinloss as an airbase. Will the Secretary of State confirm that no specific financial support has been provided by the UK Government to help deal with that economic shock?

Michael Moore: I hope that the hon. Gentleman will recognise that, in reaching some difficult and complex decisions over the future not only of RAF basing but of that of the Army and Navy, too, we will see an increased footprint in Scotland as a whole. In the hon. Gentleman's own area, we will see additional Army resources going into Kinloss in particular. The hon. Gentleman will be aware that discussions on how to support the communities through the next few years are at an early stage, but I am looking forward to them continuing in the constructive manner in which they have started.

Angus Robertson: Everyone will have noted that the Secretary of State was not able to confirm that there has been any specific financial support—because there has not been. It has been nearly a year since the announcement of RAF Kinloss's closure as an airbase and more than two months since confirmation about the Army deployment. Agencies supported by the Scottish Government have been active in support of economic diversification. In contrast, the UK Government have provided little or no details to these local agencies to assist in the transition. Why is that?

Michael Moore: I have discussed the matter with the Scottish Finance Secretary on a couple of occasions. The Scotland Office continues to be engaged with the taskforces, both in the hon. Gentleman's part of the world and in Fife. We are working hard to ensure that the detail and all the other aspects of the plan are in place, and I am sure that the hon. Gentleman will welcome the announcements when they are made.

Mr Speaker: Order. Far too many noisy private conversations are taking place in the Chamber. I want to hear Fiona Bruce.

Public Disorder (England)

6. **Fiona Bruce** (Congleton) (Con): What assistance police forces in Scotland provided during the public disorder in England in August 2011; and if he will make a statement. [70965]

7. **Bob Blackman** (Harrow East) (Con): What assistance police forces in Scotland provided during the public disorder in England in August 2011; and if he will make a statement. [70966]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): Scottish forces gave assistance to forces in England through the provision of police support units. During the debate in the House on 11 August, my right hon. Friend the Prime Minister said:

"I am aware of the excellent role that Scottish police officers played, particularly helping the West Midlands force. I saw for myself their impact when they arrived in Birmingham, and it is very good that our forces can co-operate in that way."—[*Official Report*, 11 August 2011; Vol. 531, c. 1081.]

Fiona Bruce: Does the Minister agree that the excellent cross-border support provided by Scottish police has exemplified to everyone in Britain the advantages of a flexible, devolved United Kingdom?

David Mundell: I entirely agree. There are many examples of Scottish forces' playing an important role in incidents elsewhere in the United Kingdom, not least in dealing with the shootings that took place in Cumbria in 2010.

Bob Blackman: Londoners welcomed the robust standard of policing brought from Scotland during the recent riots. What plans are there for closer co-operation, joint operations and further training, so that we can learn the lessons of the past?

David Mundell: As the Prime Minister made clear on 11 August, Strathclyde police have achieved significant success—particularly in Glasgow—in pursuing gang-related initiatives, including a community initiative to reduce violence. They are committed to working with the Metropolitan police and other forces in England to share best practice in that regard.

Michael Connarty (Linlithgow and East Falkirk) (Lab): During the recess, I spent six days with Lothian and Borders police as part of the parliamentary police scheme. The people with whom I worked were concerned about the possibility that the call on Scottish forces would deny them, for example, any holidays in August next year during the Olympics, and also about the possible impact on the budget of Scottish forces. Is the Secretary of State lobbying to secure adequate recompense for the Scottish forces for the contribution that they have made, and will make in the future, to English policing?

David Mundell: The hon. Gentleman will know that there are arrangements with the Home Office for occasions when police forces are deployed from other parts of the United Kingdom. However, I am sure that the Home Secretary has heard the specific points made by the hon. Gentleman, and I will raise them directly with the Scottish Government.

West Lothian Question

8. **Mr David Amess** (Southend West) (Con): What recent discussions he has had with the Deputy Prime Minister on establishing a commission on the West Lothian question. [70967]

9. **Guto Bebb** (Aberconwy) (Con): What recent discussions he has had with the Deputy Prime Minister on establishing a commission on the West Lothian question. [70968]

10. **John Stevenson** (Carlisle) (Con): What recent discussions he has had with the Deputy Prime Minister on establishing a commission on the West Lothian question. [70970]

11. **Simon Hart** (Carmarthen West and South Pembrokeshire) (Con): What recent discussions he has had with the Deputy Prime Minister on establishing a commission on the West Lothian question. [70971]

The Secretary of State for Scotland (Michael Moore): I have regular discussions with my right hon. Friend the Deputy Prime Minister on a range of issues, and last week the Government announced the steps that we are taking to establish a commission on the West Lothian question.

Mr Amess: Will the Secretary of State give the House what is the time scale for the commission, and will he reassure every one of us that the present unfair voting system will be resolved by the end of this Parliament?

Michael Moore: The details of the commission's remit and the time scale will be announced by the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper)—the Minister responsible for constitutional reform—at the appropriate moment, as he indicated last week. As for all the issues to be considered by the commission, I am sure that its members have heard the hon. Gentleman's opening bid.

Guto Bebb: Will the Secretary of State make representations to the Deputy Prime Minister to ensure that the issue of Barnett consequentials is taken into consideration as part of the commission's terms of reference?

Michael Moore: The commission will not give specific consideration to the Barnett formula, or to funding arrangements around the United Kingdom. We have made a separate commitment within the coalition agreement to look at all those matters when we have achieved our primary objective of sorting out the public finances.

John Stevenson: Will the Minister confirm that the commission will consider the issue with regard not just to Scotland, but to the other devolved Assemblies in Wales and Northern Ireland? *[Interruption.]*

Michael Moore: May I ask my hon. Friend to repeat the first part of his question?

Mr Speaker: That rather reinforces my point that there is far too much noise in the Chamber, which is very discourteous. The hon. Gentleman should repeat his question.

John Stevenson: Will the Minister confirm that the commission will consider the issue with regard not just to Scotland, but to the other devolved Assemblies in Wales and Northern Ireland?

Michael Moore: I am happy to confirm that although it is called the West Lothian commission, it will look at all the relevant issues regarding all parts of the United Kingdom.

Simon Hart: Does the Secretary of State share my view that resolving the West Lothian question would not, in fact, damage the Union?

Michael Moore: We now have an opportunity to consider carefully the issues that were first so famously posed back in 1977. As devolution has developed over recent years, the need to address these issues has become more urgent. We are keen for that to be done, which is why we are the first Government to set up a commission to look at the issues, and we look forward to its getting on with its work.

Pete Wishart (Perth and North Perthshire) (SNP): Does the Secretary of State accept that there is an elegant solution to the West Lothian question: Scotland having the normal powers of a normal nation, which is called independence?

Michael Moore: Nobody could ever doubt the hon. Gentleman's confidence in, and commitment to, this issue, but what he says only serves to raise the question of why the Scottish Government are delaying holding the referendum on independence.

Mr Jim Hood (Lanark and Hamilton East) (Lab): May I invite the Secretary of State to ignore the little Englanders behind him and the little Scotlanders behind me, and tell us that we are going to allow Scottish MPs to discuss Scotland in a Scottish Grand Committee? Will he reconvene that Committee as soon as possible?

Michael Moore: The hon. Gentleman frequently made that plea to the previous Government. We are, of course, keen to ensure that all Scottish matters continue to be debated in the appropriate way in this House, and we will ensure that.

John Robertson (Glasgow North West) (Lab): I am sure that the right hon. Gentleman is embarrassed by the four grouped questions, which were obviously planted by his Front-Bench colleagues. When he is looking into all the matters under discussion, will he remember London, and perhaps treat Scotland in the same way as London has been treated?

Michael Moore: I have no idea what the hon. Gentleman is saying about these questions, but perhaps he would like to look to the way in which the previous Government behaved; indeed, perhaps he is trying to give us an insight into that. All I will say to him is that, unlike the previous Government, we are determined to recognise that there is an issue that needs to be discussed and considered. It is complex, as there are lots of issues that we will have to consider, but then the House can get on with doing all the work it needs to do.

Graeme Morrice (Livingston) (Lab): Does the Minister agree with me as a West Lothian Member of Parliament that it is deeply unsatisfactory that a commission on a constitutional issue affecting Scotland has been set up with no opportunity for any consultation on its terms of reference or any involvement by Parliament until the commission presents its findings?

Michael Moore: I am sorry that that is the hon. Gentleman's attitude. I thought he would welcome the fact that we are setting up the commission. I am sure that when it is set up, he will want to contribute to it. He raised some issues, including on the terms of reference, and my hon. Friend the Parliamentary Secretary in the Cabinet Office has made it absolutely clear that we will listen to all the points that are made to us. *[Interruption.]*

Mr Speaker: Order. The House is in a very excitable state, and it is not even lunchtime yet. Members must calm down and compose themselves.

Employer National Insurance Holiday

12. **Mr William Bain** (Glasgow North East) (Lab): What assessment he has made of the effects on job creation in Scotland of the employer's national insurance holiday scheme. [70972]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): As of 7 September 2011, Her Majesty's Revenue and Customs has received 922 successful applications for the national insurance holiday scheme from new businesses located in Scotland. Of the 396 applications received for the 2010-11 financial year, 386 claimed the national insurance contributions holiday, supporting approximately 1,300 new jobs.

Mr Bain: Should not the Minister be lobbying the Chancellor to create a proper strategy for growth for Scottish manufacturing and construction, instead of offering such complacent support for a scheme that has created less than 10% of the jobs that were forecast and that has been described by the Federation of Small Businesses in Scotland as badly designed and failing to deliver at a time when the country needs the creation of new jobs?

David Mundell: We will certainly not be taking any lectures on national insurance from Labour, a party that sought to introduce a jobs tax in 2009. *[Interruption.]* I had the benefit of visiting the hon. Gentleman's constituency last week, and I would have thought that he welcomed the fact that these jobs that did not exist before and that they have a better chance of becoming permanent with the NIC holiday—*[Interruption.]*

Mr Speaker: Order. I want to hear Mr Angus MacNeil.

Hon. Members: Hear, hear.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): It seems you are not alone, Mr Speaker.

Job creation is majorly affected by fuel costs. In my constituency in Stornoway fuel is £1.50 a litre and in Uist it is £1.57. A huge component of those prices is the cost of distribution from the refineries. A few months ago, the Secretary of State gave me assurances that he would look into this. Can the Minister update me on any progress that has been made regarding fuel distribution from refineries?

David Mundell: I can update the hon. Gentleman on the progress on receiving the derogation from the EU to allow fuel prices in his constituency and other remote parts to be lower than they currently are. I should have thought that he welcomed this coalition Government's delivering that commitment.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [71523] **Alex Cunningham** (Stockton North) (Lab): If he will list his official engagements for Wednesday 14 September.

The Prime Minister (Mr David Cameron): This morning I had meetings with ministerial colleagues and others and in addition to my duties in this House I shall have further such meetings later today.

Alex Cunningham: Grieving families on Teesside are waiting many months and sometimes many years to have inquests into the deaths of their loved ones concluded. Apparently that is much longer than the wait anywhere else in the country. They have suffered enough. Will the Prime Minister stop the messing about now and instruct the Justice Secretary to sack the incompetent Teesside coroner?

The Prime Minister: I will certainly look at the particular case that the hon. Gentleman raises. As he knows, we have been reforming coroner services and putting money and resources into them to try to make them more effective, but I shall certainly take up the individual case that he makes.

Mary Macleod (Brentford and Isleworth) (Con): Will the Prime Minister give us an update on his recent visit to Russia, especially in relation to the tragic murder of Mr Litvinenko, whose widow lives in my constituency? That case also caused a risk to public safety. Will the Prime Minister meet her to give her an update?

The Prime Minister: My right hon. Friend the Foreign Secretary spoke to Alexander Litvinenko's widow before I travelled to Moscow. Let me be absolutely clear that the British Government have not changed their view one jot about how wrong it was for that murder to take place and about how we need a proper explanation about what happened and who was responsible. We want justice for that family. We have not changed our view, but I do think it is right, at the same time, to try to build a better relationship with Russia across a whole range of issues. We have common interests in trying to grow our economies and our trade and we have common interests in working together on issues such as the middle east peace process. I made sure when I went to Russia that I raised not just the Litvinenko case but many other human rights cases, including the Magnitsky case, with the Russian President and others. I think that is the right way to conduct our international relations.

Edward Miliband (Doncaster North) (Lab): Today's figures show that unemployment is up by 80,000. Does the Prime Minister still think the British economy is out of the danger zone?

The Prime Minister: First, let me say that these unemployment figures are disappointing—I do not want to hide from that. Every lost job is a tragedy for that family and I want to do everything I can, and this Government will do everything they can, to help those people back into work. That is why we have 360,000 apprenticeships starting this year, that is why we have 10,000 extra university places, and that is why, in the Work programme, we have the biggest back-to-work, welfare-to-work programme this country has seen since the 1930s. But at the same time, let me say to the right hon. Gentleman that it is right that we get on top of our debts and our deficits, and today of all days shows the danger of getting into the position that other European countries are in where their whole credibility is being questioned.

Edward Miliband: People are going to judge the Prime Minister on results. They do not want to hear his spin about the Work programme. Youth unemployment is up by 78,000, on today's figures, even after his Work programme has started. What young people and their families are asking is, "Where are the jobs?"

The Prime Minister: The Work programme is the best way to help young people—indeed, all people—back into work. Of course, as I have said, the figures are disappointing, but we should not ignore the fact that since the election there are 500,000 more jobs in the private sector. There are more people—300,000 more people—in work than there were a year ago. Let me just say to the right hon. Gentleman that there is not one ounce of complacency in this Government about the need to do more to help people back to work. We have a growth plan that includes cuts in corporation tax, freezing the council tax, cuts in petrol duty, introducing the regional growth fund, and making sure we have enterprise zones in every part of our country, but in every week and in every month we will be adding to that growth programme so we help people get back to work.

Edward Miliband: The right hon. Gentleman and his Government are the byword for complacency in this country on the issue of unemployment. Youth unemployment was falling at the general election, and it has risen on his watch; it is his responsibility. Women's unemployment, too, is at its highest level since 1988, and he is making the situation worse by cutting the child care tax credit. How does it make sense, when unemployment is rising for women, to cut the support that helps them back into work?

The Prime Minister: Let me just remind the right hon. Gentleman that youth unemployment went up by 40% under the last Government—278,000 more young people were unemployed when he was sitting in the Treasury and breaking our banking system and bankrupting our economy. That is what the people remember.

Now, when it comes to child care, what this Government are doing—we are the first Government to do it—is making sure that there are 15 hours of free child care for every four-year-old and every three-year-old, and we have extended that to every two-year-old. We have focused the tax credit system on the poorest people in our country, so that child tax credits are going up by £290 this year and next for those who need it the most. But let me just say to the right hon. Gentleman that, on a day when France and Germany are meeting to stop Greece going bankrupt, he must be the only person in the world who thinks that you spend more to get out of a debt crisis.

Edward Miliband: It is no wonder that the right hon. Gentleman does not want to talk about the British economy and what is happening here, because of what is actually happening. And not for the first time, he is wrong in what he says at the Dispatch Box: youth unemployment was falling at the general election, and now it is rising. Why is it not working? The reason is that his claim and the Chancellor's central claim that the public sector could be cut and the private sector would make up the difference is not happening. For every two jobs being cut in the public sector, less than one is being created in the private sector. Is that not the clearest sign yet that his policy just is not working?

The Prime Minister: So now we have it, Mr Speaker: the right hon. Gentleman wants to tell us about the golden inheritance left by the last Government—the fact that they completely bust our banking system, the fact that they doubled the national debt and the fact that they gave us the biggest budget deficit in Europe that we are still recovering from—and he cannot even be consistent inside one day. This is what he said yesterday to the TUC: "You cannot spend your way to a new economy." Just 24 hours later, he has changed his tune all over again. No wonder the last Chancellor of the Exchequer said that they have no credibility whatsoever.

Edward Miliband: What an insult to the people up and down this country who have lost their jobs! The right hon. Gentleman does not even try to answer the question about his central economic strategy to cut the public sector and make the private sector make up the difference. It is not happening, and the truth is, look at what has happened over the past year: Britain has grown slower than any other EU country, apart from Portugal and Romania. Now can the Prime Minister tell the country and the people who have lost their jobs what he is going to do differently over the next year compared with what he did over the last year?

The Prime Minister: First, let me correct the right hon. Gentleman on his facts. The fact is that, this year, Britain is growing faster than America. That is something that he does not choose to tell us. *[Interruption.]* Let me answer directly—*[Interruption.]*

Mr Speaker: Order. The Prime Minister's answers must be heard.

The Prime Minister: Let me answer directly this point about unemployment in the public sector. All Governments right now are having to take difficult decisions about cutting public spending. Anyone standing here would have to make those decisions. This Government are reducing the welfare bill and reforming public sector pensions. If we were not taking those steps, deeper cuts would have to be made in terms of the rest of the public sector. The right hon. Gentleman would be having even more unemployment in the public sector. That is the truth. When will he learn what I thought he said yesterday, "You cannot spend your way to a new economy"? Is that still his view 24 hours later?

Edward Miliband: So the message to all those people who have lost their jobs is that the Prime Minister is not going to change course. The Chancellor of the Exchequer has lashed himself to the mast. *[Interruption.]* Not for the first time perhaps. Youth unemployment is at its highest level for 19 years and women's unemployment is at its highest level for 23 years—the highest levels since the last time there was a Tory Government. It turns out that he is just like all the others: for him, unemployment is a price worth paying.

The Prime Minister: It is this Government who are cutting corporation tax, who have frozen council tax, who have cut petrol duty, who introduced the regional growth fund, who ended Labour's jobs tax, who have the biggest apprenticeship programme in decades, and who have increased capital spending compared with what Labour left behind. The truth is that it was the last Government who robbed young people of their future by piling up the debt. It is this Government who will deal with our debts and give them back their future.

Q2. [71524] **Kris Hopkins** (Keighley) (Con): The Prime Minister will be aware that the consultation on the draft national planning policy framework will end next month. Will he confirm that the Government's proposals will ensure that local residents will be at the forefront of decision making, that important green spaces will retain their existing protection, and that this will not become a developers charter?

The Prime Minister: I can certainly give my hon. Friend that assurance. We need reform, as the current system is too slow and bureaucratic, and it does not give local people enough of a say. We are replacing a vast, 1,000-page bureaucratic guide with something that is much shorter. Local development plans will mean that local communities and local people have a far greater say in what is developed and where, and we are not changing the rules on national parks, on the green belt and areas of outstanding natural beauty.

Let me just say this to everyone in the House, because I think there should be cross-party support on this issue. Today, the first-time buyer with no support from their family is aged 37. I think that is wrong. We need to build more houses, to help more young people to get on the housing ladder.

Q3. [71525] **Robert Flello** (Stoke-on-Trent South) (Lab): Last week, the Prime Minister told the House:

"There are 25,000 police officers in back-office jobs".—[*Official Report*, 7 September 2011; Vol. 532, c. 353.]

Her Majesty's inspectorate of constabulary says that there are fewer than 8,000 police officers and police community support officers in back-office roles. Week after week, the House hears a litany of evasion, inaccurate answers and arrogant put-downs from the Prime Minister. We want a proper answer. Let us give the Prime Minister a chance today: is it the inspectorate or is it the Prime Minister? We won't get an answer.

The Prime Minister: The hon. Gentleman is confusing two things: the number of police officers who are not on front-line duties, and the number of police officers who are in back-office roles such as IT or HR. Those are the figures that I gave, and those are the figures that are right. What makes the Opposition complacent is that they are not prepared to consider any reforms to try to get more police on to the front line and on to our streets.

Dr Sarah Wollaston (Totnes) (Con): I know that the Prime Minister is serious about tackling violent crime, antisocial behaviour and the fact that there are more than 1 million hospital admissions in England a year for alcohol-related conditions. Will he meet me to discuss the evidence that we need to go further on minimum pricing, availability and particularly the marketing of alcohol to young people?

The Prime Minister: I am very happy to meet my hon. Friend, who has made a lot of speeches and written a lot of articles about the issue, about which she feels passionately. She is right in many ways that there is a problem with binge drinking in our country. Much of it is related to very low-cost alcohol, particularly in supermarkets. I want to see an end to that deep discounting, rather than perhaps the way forward that she suggests, but I am happy to meet her and discuss this vital issue.

Q4. [71526] **Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): A poll last week showed that 68% of Scots want oil revenues devolved to Scotland. Does the Prime Minister agree with 68% of Scots or not?

The Prime Minister: If you ask a stupid question, you get a stupid answer. The fact is the whole of the United Kingdom rightly has invested in the North sea, and the whole of the United Kingdom should benefit from the North sea. We should do everything possible to keep the United Kingdom together because we are stronger—England, Scotland, Northern Ireland and Wales—than we ever would be separate.

Q5. [71527] **Mrs Helen Grant** (Maidstone and The Weald) (Con): Does the Prime Minister agree that we need more women on corporate boards?

The Prime Minister: I completely agree with my hon. Friend. The current figures are simply not good enough. Only 14% of FTSE 100 company directors are women. We should do far better. We have some experience from the problems that we had in our own party and the need to take much more proactive action to make sure we have a better balance at the top of politics. We need a much better balance at the top of our boardrooms as well.

Q6. [71528] **Paul Flynn** (Newport West) (Lab): Are not the most vulnerable people in the care of the health service those silent voices who live in residential homes? Will the Prime Minister express his regret that under his watch there was, we hear today, a nearly three quarters reduction in the number of inspections—a 70% reduction—because money was moved from inspection to bureaucracy? Does not that again prove that the national health service is not safe in the hands of the nasty party?

The Prime Minister: The Health Committee report that is released today makes a very important point about the future and the work of the Care Quality Commission. It is important that it focuses on inspections and making sure that standards are high rather than simply on a process of registration and bureaucracy. I look forward to seeing the Government's response to a very good report.

Sir Peter Tapsell (Louth and Horncastle) (Con): Was my right hon. Friend taught, at whatever school he happened to attend, that one of the key functions of Parliament over the centuries has been to diminish what the historians have called the overmighty subject. In the 18th century—*[Interruption.]*

Mr Speaker: Order. I want to hear the hon. Gentleman's views about the 18th century.

Sir Peter Tapsell: In the 18th century, it was the Indian nabobs, denounced by Edmund Burke. In the 19th century, it was the ruthless industrialists, humanised by Shaftesbury. In the 20th century, it was the trade union leaders, tamed by Lady Thatcher. Today, the overmighty subject is the bankers. In the United States, the federal authorities are prosecuting a wide swathe of the top banks. When will that happen here?

The Prime Minister: My right hon. Friend obviously had a much better education than I did; that is apparent. Also, it was very good to hear him say something very positive about Margaret Thatcher. The serious point that my right hon. Friend makes is right: we do need to see responsibility from our bankers. I support what Vickers has said in terms of the reforms that we need, and to answer my right hon. Friend's question directly, if people break the law, no matter where they come from or who they are, they should face the consequences and be punished.

Q7. [71529] **Natascha Engel** (North East Derbyshire) (Lab): What does the Prime Minister think of local authorities encouraging developers to put in planning applications not on green belt but on greenfield sites in order to use the new homes bonus to balance their budgets?

The Prime Minister: I have the completely original and shocking view that these matters should be for local people and local authorities. In the past, we have had far too much top-down, central direction. People in Derbyshire should make up their own mind, through their local council, about what planning should take place and where. That is the agenda that this Government will follow.

Alec Shelbrooke (Elmet and Rothwell) (Con): I am sure that my right hon. Friend will have noted the recent sound advice that in order for a Government to operate effectively there should be complete unity at the top. With that in mind, will he assure the House and the country that he does not feel the need to re-write a Budget 48 hours before it is due?

The Prime Minister: I can confirm that these days those discussions take place in a proper way, between the two partners in the coalition, and that it is not a battle between Nos. 10 and 11. I should also say that when I have a meeting with the Chancellor of the Exchequer it is nothing like going to the dentist and there is no need for an anaesthetic.

Q8. [71530] **Thomas Docherty** (Dunfermline and West Fife) (Lab): I am sure that all parties in this House have welcomed the news that convicted fraudster and former Lib Dem donor Michael Brown has been found living

under an assumed name in the Dominican Republic. Unfortunately, we have no extradition treaty with that country. Will the Prime Minister tell the House what steps the Government are taking to bring Mr Brown back to face justice?

The Prime Minister: We would like to extend these treaties to other countries, and I will certainly look into the case of the Dominican Republic and get back to the hon. Gentleman. While we are at it, perhaps we could have a search for the individual donor to the Labour party—I gather that there was only one and that he was called Alastair Campbell.

Gordon Birtwistle (Burnley) (LD): Will the Prime Minister join me in congratulating Burnley football club, which, in partnership with Buckinghamshire New university, has delivered the first university of football business in the UK, which has generated immense interest among young people in the UK and across Europe?

The Prime Minister: I happily join my hon. Friend in praising the work of Burnley football club. I have been very struck in this job by the privilege I have of seeing different football clubs working not only on their own football skills, but on inspiring young people, and not only here, but in other countries, as I saw with the work that Spurs football club is doing in South Africa. I think there is a huge role for football in helping to change people's lives and I fully support what our clubs do.

Q9. [71531] **Mark Hendrick** (Preston) (Lab/Co-op): Contrary to the Prime Minister's answer at the Dispatch Box last week, will he confirm that the winter fuel allowance this year will be £50 less for the over-60s and £100 less for the over-80s? Age UK has called that a cut. Does he agree?

The Prime Minister: What I can confirm is that that payment will be exactly as set out by Labour in their March Budget, a Budget that the hon. Gentleman supported. At the same time, the increase in cold weather payments will actually be maintained throughout this Parliament.

Q10. [71532] **David Rutley** (Macclesfield) (Con): Small and medium-sized enterprises are vital engines of economic growth in Macclesfield and across the country. Sadly, the cost of new regulations put on businesses under the previous Government amounts to a staggering £90 billion a year. Will my right hon. Friend tell the House what this Government are doing to tackle that unacceptable burden on British businesses?

The Prime Minister: There is an unacceptable burden in terms of regulation, so the Government, specifically in relation to the retail sector, have already removed 257 regulations. We have the new one-in, one-out rule, so any Minister who comes to me wanting to introduce a regulation has to abolish one first. Also, the red tape challenge means that all regulations are being put up on a website for businesses and individuals to challenge to see what is still necessary and what we can get rid of.

Q11. [71533] **David Simpson** (Upper Bann) (DUP): The Prime Minister will be aware that right across the whole of the United Kingdom we have some excellent industries, businesses and trained staff within those companies, but surely the coalition's decision to put off banking reform until after the next election will have a detrimental effect on those companies and cause major difficulty.

The Prime Minister: The point I would make to the hon. Gentleman is that we asked Professor Vickers to look at this issue, and he recommended legislating in this Parliament but introducing the reforms at the same time as the Basel changes are finalised in 2019, and that is exactly what we will do. At the same time, it seems to me vital that we address the failure of banks to lend enough money, particularly to small businesses. That is why we put the Merlin agreement in place. *[Interruption.]* Actually, bank lending is not going down, as the shadow Chancellor suggests—he is wrong about everything, even when he is sitting down. Bank lending is actually going up.

Pauline Latham (Mid Derbyshire) (Con): With the closure of the Derbyshire Building Society headquarters in my constituency, which is perfectly situated to take the green investment bank, and with the move from Derby to Nottingham of the Post Office sorting centre and evaluation offices, the closure of Courtaulds, with the loss of all but 70 jobs, and the potential closure of Bombardier, will the Prime Minister encourage his Secretaries of State to look at sending more civil service jobs to Derbyshire so that we can have more employment in the area?

The Prime Minister: My hon. Friend makes an important point, and I know that there are real concerns because of what has happened at Bombardier.

On the green investment bank, I know that there are going to be many bids from many parts of the country to house that excellent institution. On Bombardier, it is encouraging to hear that the Department for Transport is looking into the possibility of upgrading an existing fleet of Bombardier-built diesel trains to enable them to run using electric power. That could be a good breakthrough, but, on the previous contract, as we have discussed in the House before, the fact is that it was established by the previous Government and we had to follow those instructions. That is why the contract had to be awarded elsewhere, but we are looking to the future of Bombardier and the future of Derby, and we want to make sure that it is a bright future.

Q12. [71534] **Chris Williamson** (Derby North) (Lab): Last week the Prime Minister told the hon. Member for South Derbyshire (Heather Wheeler) that he would do everything he could to help Bombardier, but the British train building industry is now hanging in the balance as a result of the plan to build trains in Germany rather than in Derby. Will he meet me and a cross-party delegation from Derby to discuss how we can review the contract—and it is possible to review it—in order to secure the future of the British train building industry and keep Bombardier in Great Britain?

The Prime Minister: We want to keep Bombardier in Great Britain, and we want to keep Bombardier working, which is why, as I have just said to my hon. Friend the Member for Mid Derbyshire (Pauline Latham), there is that new opportunity, but the issue should be put in the

context of the fact that we are putting a lot of investment into our rail industry: £14 billion into a network grant for Network Rail; £3.8 billion for Crossrail; and £750 million for High Speed 2. This is a Government who want to do more for our railway industry, and who want to do more for Bombardier after it was so badly let down by the previous Government.

Q13. [71535] **Malcolm Bruce** (Gordon) (LD): Campaigners on the right want to get rid of the 50p tax rate and those on the left want to juggle with VAT. Does the Prime Minister agree that the most fair and progressive way to maintain confidence in the economy is to stick to the Government's policies but accelerate the process of raising the tax threshold to £10,000?

The Prime Minister: I am grateful to my right hon. Friend for his question; but we have raised the personal allowance significantly in our Budgets and taken more than 1 million people out of tax altogether, and we are committed to going further. On the 50p tax, we should look at the evidence. We are going to find out soon just how much money the tax is raising; let us look to see whether it is a good way of raising money or not.

Q14. [71536] **Malcolm Wicks** (Croydon North) (Lab): When the Croydon riots hit our borough on that terrible Monday night, there were at most 100 police officers on the streets, including some very young community support officers, facing mobs hundreds and hundreds strong, as a result of which my borough was undefended, burnt and looted. May I put it to the Prime Minister, not as a partisan point but as a sensible point, that when the criminal facts change in England, as they did following the riots, a sensible Government would pause for thought and change their mind—and that the last thing they would do is reduce police numbers?

The Prime Minister: I went to visit Croydon and met the right hon. Gentleman and a number of people who had seen some shocking things happen in that borough which must not be allowed to happen again, but let me say to him that, even after the changes that we are making in police funding, the police will be able to surge as they did in Croydon, in Tottenham, in Manchester and in Salford. The problem on the night of the riots was that the surge did not take place soon enough, and he confuses the response to the riots in the immediate circumstances with what is happening to police funding. The police have assured me that they will be able to deliver on to the streets of London as many police as they did when they got control of the riots.

Zac Goldsmith (Richmond Park) (Con): Following the question from my hon. Friend the Member for Keighley (Kris Hopkins), will the Prime Minister agree to meet organisations such as the Campaign to Protect Rural England, the National Trust and so on to reassure them and their millions of members that the proposed changes to the planning system do not represent a blank cheque for developers?

The Prime Minister: I am very happy to meet anyone to discuss that, and I know that the National Trust has specifically already met the planning Minister, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), and has had many reassurances about what the planning changes mean. Let me just say this again: because we are going to have stronger local plans, that will give local people a greater ability to decide what is in the local plan and what is out of the local plan. At the same time, having a presumption in favour of sustainable development will cut a lot of bureaucracy in our system, but we are not changing the rules for greenbelt, for areas of outstanding natural beauty, for sites of special scientific interest or for all the rest of it. I do think that people need to focus on that, because we need sensible, sustainable development to go ahead without the bureaucracy and the top-down system of today, but with all the reassurances that people need.

Q15. [71537] **Nic Dakin** (Scunthorpe) (Lab): Last week the Prime Minister told the House that the number of young people not in education, employment or training was coming down. In actual fact, the published figures show that over the past three quarters it has risen by 27,000. Will the Prime Minister take this opportunity to correct the record?

The Prime Minister: I think the hon. Gentleman will find that what I actually said was that the number of 16 to 18-year-olds who are not in employment, education or training has come down. Indeed, it has come down, and that is a step forward, but the overall number for youth unemployment has gone up, and that is unacceptable. That is why we need the Work programme, more apprenticeships, and more university places—and that is what the Government are putting their money into.

Simon Kirby (Brighton, Kemptown) (Con): Will the Prime Minister join me in congratulating all the winners in last night's women in public life awards, including the excellent Mary Mears in Brighton and Hove?

The Prime Minister: I will certainly join my hon. Friend in congratulating the winners. As I said to my hon. Friend the Member for Maidstone and The Weald (Mrs Grant), we need to do more to promote women in public life, whether in politics or in local government. This party took some steps, but I think, frankly, that we still have more to do, because there are many organisations in our country where we do not have equality of opportunity and where we need to have that equality of opportunity. It is not enough just to open the door and say that it is meritocratic and everyone is able to come in. There are occasions where you need to take positive action in order to get this done.

Mr Nigel Dodds (Belfast North) (DUP): Now that the Prime Minister has committed himself fully to backing the boundary changes will reduce the number of MPs in this House, and to ensure that Prime Minister's Questions reflects the subject that has been most debated in the corridors of Westminster over the past number of days, will he now also commit to delivering on the other pledge that he and his colleagues made before the election, which was to deal with the scandal of people who are elected to this House, do not take their seats, and yet continue to be paid millions of pounds in allowances, including the equivalent of Short money, which they can use for party political purposes while we have to use it for parliamentary purposes? Please give us a vote to deal with that scandal.

The Prime Minister: On the boundary review, we are trying to ensure a basic fairness, which is that every seat in the House of Commons should be the same size. Today, some seats have as many as 90,000 voters and some seats, including some in Wales, have as few as 40,000 voters. How can that possibly be fair? On Northern Ireland and the issue that the right hon. Gentleman raises, I have not changed my view about that one bit, and I do think it is an issue that needs addressing.

Several hon. Members *rose—*

Mr Speaker: Last but not least, I call Mr Richard Harrington.

Richard Harrington (Watford) (Con): In Kenya last week, the father of my constituent Mr Oliver Tebbutt was killed, and his mother was kidnapped and remains missing. What steps are the British Government taking to assist in the return of Mrs Tebbutt and the apprehension of the murderers?

The Prime Minister: We are doing everything we possibly can on this desperately tragic case. I chaired a meeting of Cobra about this issue yesterday to make sure we are co-ordinating everything the Government do. My right hon. Friend the Foreign Secretary has met the family today. I think that in some of these cases it is not right to air all the issues in public, but I can reassure my hon. Friend, the family and all who know the Tebbutt family that we will do everything possible to help.

Mr Speaker: We come to the 10-minute rule motion. I call Dr Thérèse Coffey. *[Interruption.]* Order. Perhaps I can make my usual appeal to right hon. and hon. Members who are leaving the Chamber to do so quickly and quietly, affording the same courtesy to the hon. Member for Suffolk Coastal (Dr Coffey) that they would wish to be extended to them in comparable circumstances.

Provision of Hydration and Nutrition for the Terminally Ill

Motion for leave to bring in a Bill (Standing Order No. 23)

12.34 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): I beg to move,

That leave be given to bring in a Bill to guarantee the right to provision of hydration and nutrition for terminally ill people; and for connected purposes.

Water is the essence of life; we all know that without it we die. That is one reason why I support the charity Water Aid, for which I did a sponsored walk last Saturday.

Another topic that will come up for discussion in Parliament soon is the Hillsborough disaster. One of the tragic cases that arose from that disaster was that of Tony Bland. To remind hon. Members, Tony Bland ended up in a permanent vegetative state and was kept alive for some years. However, Airedale NHS Trust applied, in effect, to end his life by withdrawing ventilation, nutrition and hydration. The Official Solicitor appealed against that application and was concerned that it would amount to effective murder. The case law subsequently established by Sir Stephen Brown in that judgment classified the provision of nutrition and hydration as medical treatment. After nine days without receiving nutrition or hydration, Tony Bland died on 3 March 1993.

Further judgments have been made on those principles and guidance has reinforced them. Concern has been expressed that such decisions could be applied not only to people in a permanent vegetative state, but to those with a declining illness. That has led to many differing views in this House. I do not want to get into the detail of the Liverpool care pathway, and the intention of this Bill is not to prevent or frustrate but to open up the discussion on this matter. It is an important topic that Members should want to discuss.

This is a difficult topic to discuss. I hope that people do not face it in their lives, but when it comes to the death of an elderly parent or relative, we need to face it with a conscious mind. I expect that taking the decision to remove nutrition and hydration is not easy for doctors, and I am not trying to remove any kind of medical judgment. For the avoidance of doubt, the Bill is not a Trojan horse to bring in euthanasia or assisted suicide, or to start force-feeding people. However, we have to recognise that death comes to us all and we have to face the discussion about whether we should prolong therapy or withhold it. There are other discussions to be had about whether therapy is futile. I hope the House will agree that withholding water or food from somebody and, in effect, ending their life in a potentially painful and distressing way, sometimes without relatives even knowing that that decision has been made, is wrong. One aim of palliative care is to help people to die as peacefully and painlessly as possible.

I do not intend to speak for long on this Bill, but I hope that Members will recognise that this is an important discussion to have and that they would not wish any of their relatives or friends to die of starvation or thirst, and so will support the Bill today. I commend the Bill to the House.

12.38 pm

Andrew George (St Ives) (LD): I pay tribute to my hon. Friend the Member for Suffolk Coastal (Dr Coffey) for ensuring that this issue is raised in the House and that the debate on it is advanced. She approached the matter with characteristic thoughtfulness and great articulacy, as she has done on many occasions.

It was clear from the title of the Bill that this issue would bleed into the debate about the appropriate role of the Liverpool care pathway. Just as we debate many other issues, it is appropriate for this House to reflect on and debate the ethical questions that arise from this particular issue. As Benjamin Franklin said:

"In this world nothing can be said to be certain"—

Mr Speaker: Order. I apologise for interrupting the hon. Gentleman, but this is not a debate, as such; it is a consideration of a specific and narrowly drafted Bill. What I seek to ascertain at the outset is whether the hon. Gentleman is opposing the Bill.

Andrew George: I am grateful to you, Mr Speaker. Having heard what my hon. Friend the Member for Suffolk Coastal said, I have no intention of pressing the motion to a Division. However, the narrow title of the Bill relates to patients' rights to hydration and nutrition, which raises the question of contradicting the General Medical Council's advice—that is a medical decision rather than an issue of basic care.

Mr Speaker: Order. I am grateful to the hon. Gentleman for his clarification, which for my purposes I will take as a yes.

Andrew George: Thank you, Mr Speaker.

As I was saying, Benjamin Franklin said:

"In this world nothing can be said to be certain, except death and taxes."

As the House debates and comes to conclusions on taxes, it is also appropriate for us to consider—and to consider deeply—ethical questions such as the manner and process of death. We should ensure that end-of-life care and the ethical questions surrounding it are carefully considered.

It is my intention to deal not with the legal case surrounding the death of Tony Bland, but with the implications of the Bill on the GMC and on other guidance on the application of the Liverpool care pathway. Like others, I have been confronted by those issues, with the loss of a very close family member in recent months. Such questions inevitably and sadly confront us all.

Medical treatment of the terminally ill should be in the patient's best interests. We should recognise that a blanket policy—of always providing, or of always not providing, artificial nutrition and hydration—would be ethically indefensible. Therefore, all decisions on medical interventions, which is what we are debating, should be based on sound, clinical judgment.

I agree with my hon. Friend that these matters should be kept under review. It is absolutely appropriate that the current guidance that applies is kept under review, and that the House of Commons and the House of Lords should be involved in debates on it.

The Liverpool care pathway is used in hospitals as a plan of care for patients in the last days and hours of their life. The pathway is recommended as best practice in the end-of-life care strategy. Patients should be involved in decision making wherever possible, and they have a right to refuse treatment in person, or in advance of a loss of capacity. Health care professionals should seek to provide the highest standards of care possible to dying patients. On occasion, that will involve recognising that a patient who is hours, or at most days, away from death, will be harmed rather than helped by the application of artificial nutrition and hydration.

The GMC guidance to doctors on end-of-life decision making states:

"All patients are entitled to food and drink of adequate quantity and quality and to the help they need to eat and drink...You must keep the nutrition and hydration status of your patients under review. You should be satisfied that nutrition and hydration are being provided in a way that meets your patients' needs, and that if necessary patients are being given adequate help to enable them to eat and drink",

hence the application of the artificial intervention to assist them.

The guidance also states:

"If a patient is expected to die within hours or days, and you consider that the burdens...of providing clinically assisted nutrition or hydration outweigh the benefits they are likely to bring, it will not usually be appropriate to start or continue treatment."

Similar advice is provided by the National Council for Palliative Care.

The benefits of artificially provided nutrition and hydration include the potential to prolong life and improve general well-being. Artificial nutrition could prolong life in patients with obstructing tumours, such as throat cancers, or those with diseases that prevent them from swallowing, such as motor neurone disease. Artificial hydration could in certain circumstances also relieve thirst.

However, there are also risks. In some circumstances, artificial nutrition and hydration will only prolong the period of suffering, and there could be complications associated with having tubes inserted. Fluids given via drip can exacerbate oedema—swelling—and increase leakage into body spaces that can lead to a more distressing death, for example if fluids get into the lungs.

It is important, therefore, that in debating this issue, which I hope the the House will have time to do—because it needs to be kept under review—we will have an opportunity to consider the risks of continuing to apply artificial nutrition and hydration. That issue has been well covered by the General Medical Council and others in the clinical guidance that needs to apply here. The Liverpool care pathway has been accused of encouraging a tick-box culture that does not consider the whole patient and their needs. We have to ensure that the highest-possible clinical standards are applied when the LCP is administered. Equally, as my hon. Friend said, we have to strike a balance between the patient's best interests and wishes and the wishes of the family close to the terminally ill patient. She emphasises, in the title of the Bill, that this is a matter of the right to treatment, but it is also a matter to be balanced with the right to ensure that medical interventions are in the best interests of patients. On that basis, I wish to ensure that we strike a balance when we debate the Bill.

Question put and agreed to.

Ordered,

That Dr Thérèse Coffey, Andrea Leadsom, Penny Mordaunt, Harriett Baldwin, Jim Dobbin, Thomas Docherty, Mr Andrew Turner and Dr Julian Lewis present the Bill.

Dr Thérèse Coffey accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 25 November, and to be printed (Bill 230).

Thomas Docherty (Dunfermline and West Fife) (Lab): On a point of order, Mr Speaker. This is a genuine question. Will you clarify for Members the rules on speeches during the presentation of a ten-minute rule Bill?

Mr Speaker: I am happy to advise the hon. Gentleman and the House. A Member introducing a ten-minute rule Bill has up to 10 minutes in which to do so. A Member who wishes to oppose the Bill similarly has up to 10 minutes in which to do so. Those 10-minute allocations are distinct and separate from each other. It is helpful if a Member who is opposing a ten-minute rule Bill makes it clear that that is what he or she is doing. There is, to be fair, no obligation to test the will of the House by submitting the matter to a vote, but it is important for the orderly and intelligible conduct of business that an opposing speaker makes it clear, preferably at the outset, for the benefit of the House, that the speech is one of opposition. I hope that the hon. Gentleman's brow is no longer furrowed, that he is duly reassured and that the House as a whole is appropriately enlightened.

Energy Bill [*Lords*]

Consideration of Bill, as amended in the Public Bill Committee

New Clause 10

GREEN DEAL INSTALLATION APPRENTICESHIPS

'(1) Before making the first framework regulations the Secretary of State must lay before Parliament a report on what, if any, steps the Secretary of State has taken to encourage green deal installation apprenticeships.

(2) A "green deal installation apprenticeship" is an apprenticeship which provides training on how to install energy efficiency improvements at properties.'.—*(Gregory Barker.)*

Brought up, and read the First time.

12.49 pm

The Minister of State, Department of Energy and Climate Change (Gregory Barker): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following: new clause 8—*Support from the Green Investment Bank*

'(1) The Secretary of State must, within six months of this Act receiving Royal Assent, report to Parliament with proposals on the ways in which the Green Investment Bank could maximise the take up of the Green Deal.

(2) The report required by section (1) shall include an examination of the extent to which action taken by the Green Investment Bank could—

(a) reduce interest rates linked to the repayment of Green Deal loans and the impact this may have on consumer demand;

(b) support the research into and development of technologies which could increase household energy efficiency.'.

Government amendment 29.

Amendment 26, in clause 3, page 4, line 29, at end insert—

'(j) Prohibiting the sale of products and services during Green Deal assessment and installation visits which are not eligible for Green Deal financing unless those products are recognised as being able to reduce household CO2emissions.'.

Government amendment 30.

Amendment 49, page 5, line 2, leave out 'may' and insert 'will'.

Amendment 28, in clause 4, page 6, line 16, at end insert—

'(9A) The ninth condition is that the green deal provider meets any requirement specified in the framework regulations as to the level of interest charged on the plan'.

Amendment 50, page 6, line 16, at end insert—

'(9A) The ninth condition is that the green deal provider meets any requirement specified in the framework regulations to enable the consumer to compare recommendations and estimated costs and savings.'.

Amendment 27, in clause 5, page 6, line 34, at end add—

'(e) a term permitting the improver to specify whether the instalments will be paid via his electricity bill or his gas bill;

(f) a term permitting the improver to change his decision taken pursuant to paragraph (e).'.

Government amendments 31 to 34.

Amendment 45, in clause 18, page 15, line 4, after 'may', insert 'and may not'.

Government amendment 36.

Gregory Barker: It is a pleasure to be back in the House to debate this historic Energy Bill one last time before it moves back for the last time to the other place. To better inform the debate on the amendments before us, I shall update the House briefly on the progress made over the summer on a number of issues that were raised in Committee.

We had a lively discussion on measures eligible for green deal finance. That was led by the hon. Member for Ogmore (Huw Irranca-Davies), who championed the power shower. I committed to an early refresh of the Government paper to take into account queries about our position on water efficiency and recommendation of measures outside the green deal. That has been done. After our exploration in Committee of the detail of the energy company obligation—an important part of the Bill—I agreed that my officials would meet the hon. Member for Southampton, Test (Dr Whitehead) to discuss our brokerage proposal. That has been done.

The private rented sector was another important subject of debate—fruitful debate, I hope—with contributions from the hon. Member for Wells (Tessa Munt), among others. I shall say more about that later. My officials are setting up a new workshop to look specifically at how the provisions can best work with older buildings, which present a challenge to the green deal, particularly older historic buildings.

Lastly, I am pleased to report progress on energy efficiency for service family accommodation, following the excellent suggestion of my hon. Friend the Member for Richmond Park (Zac Goldsmith). My officials have had a number of meetings with their counterparts in the Ministry of Defence and, having agreed the shared objective of improving the energy efficiency of accommodation, are investigating the best ways to achieve that. As I mentioned in Committee, it is a complex problem owing to the unique nature of service family accommodation. None the less, I am optimistic that a solution will be found to satisfy the House and, most importantly, service families.

We have a large group of amendments, not all of which were tabled by the Government. I propose to speak to the Government amendments in my opening remarks and address the other amendments in my closing remarks, rather than pre-empt them before the Members who tabled them have spoken. That should make for a more orderly debate. There is nothing more annoying than having one's arguments addressed before one has even had a chance to make them to the House.

The Government amendments are largely technical. Government amendments 31 to 34 cover disclosure. They enable the Secretary of State, if necessary, to require a green deal provider to produce a further document containing information about the green deal plan as part of the confirmation process. This would be in addition to the energy performance certificate. Both documents would then have to be disclosed to future bill payers. These amendments therefore enable the Secretary of State to require, if necessary, additional information about the green deal plan to be given to future bill payers as part of the disclosure process. This small amendment responds to the concerns of stakeholders and the concerns that were expressed in Committee about consumer protection, particularly in the rented sector. We have moved to tighten that up.

On the transfer of payments, Government amendment 29 is a technical amendment that makes it clear on the face of the Bill that when collecting payments, energy companies are acting in an agent and trustee capacity for the green deal provider, which, in many cases, will not be the energy company itself. This is in line with the policy that I set out in Committee. Liability for green deal payments should sit on the balance sheet not of the energy companies, but of the green deal provider.

Without this clarification, there is a risk that payments received would be the property of the energy company until they were remitted to the green deal provider, which might enable an administrator to claim green deal payments in the event of energy company insolvency. Through the amendment we can minimise this risk and, as with all risk minimisation in this process, help to push down the cost of green deal finance.

On assessment and installation, I shall deal with a number of Government amendments relating to the role of professionals operating under the green deal, and consider them with amendment 26, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas). Amendment 26 and Government amendment 30 relate to the role of professionals and the importance of protecting customers, while allowing the green deal to thrive. I apologise for breaking the rule that I said I would abide by in my opening comments, but this makes more sense, so I hope the hon. Lady will forgive me. I am grateful to her for raising the issue of cross-selling.

It is important to consider how and when green deals are likely to take place. Many will come about as a result of other activities, such as the installation of a new kitchen or boiler in a home. We do not wish to limit these trigger points. They will often be important opportunities to promote the green deal alongside other renovations or improvements that are happening in the home, which the householder may not have considered ahead of planning for a new bathroom, kitchen or other improvement.

Our market research has shown that customers would welcome and are therefore more likely to trust the involvement of local authorities, community groups and third sector organisations when thinking about entering into a green deal. This was a recurring theme in Committee, when we all agreed that the involvement of local authorities and community groups was vital to ensure the successful large-scale roll-out of the green deal. Such organisations may see participation in the green deal as a way of making people aware of other valuable services—for example, loft clearance for the elderly is an essential prerequisite for putting in insulation. Some voluntary or community groups might offer such a service in some areas at no cost or at a reduced cost.

A blanket ban could reduce the willingness of these organisations to play a full and positive role in the green deal. This could be especially detrimental to vulnerable groups such as the elderly, who are most likely to benefit from energy efficiency. It could also affect the ability of enthusiastic volunteers and community groups to encourage their neighbours by knocking on their door, sharing their enthusiasm and urging them to join in community projects. Members of a community or neighbourhood group are more likely to go round and speak to their neighbours individually, rather than e-mailing or writing to them. We are concerned that a blanket ban could be detrimental.

Our approach is therefore to be mindful of the points raised by the hon. Member for Brighton, Pavilion. She is right to identify the need for strong consumer safeguards, but we believe the right way forward is to build on existing regulations that protect customers, and set out a clear enforceable framework within the green deal code of practice for such activities. This will be clearly set out in our consultation and we will seek further views on this important aspect then.

Caroline Lucas (Brighton, Pavilion) (Green): Does the Minister agree that there is a world of difference between a community group knocking on a door in order to clear a loft so that loft insulation can go ahead, and selling wallpaper, carpets and sofas, which was the example that the Minister gave in Committee? Would he come some way towards supporting my amendment, given that it clearly says that it is permissible to knock on people's door if the aim is to reduce CO_2, but not if the aim is to sell a sofa?

Gregory Barker: I am sympathetic to the thrust of the hon. Lady's amendment, but it is not illegal to sell things door to door. There is already a code of practice for that, but we do not live in a country where it is illegal for people to sell products door to door. That is already a fact of life and we do not propose to alter it; however, we do think there should be a strong code of practice. However annoying and regressive such practices may be, trying to address them outside a code of practice—that is, through blanket legislation—could affect not just loft clearance services, but the ability to go door to door, just as we as politicians go door to door trying to convince people of our ideas.

1 pm

The mobilisation of community groups across a range of issues is important. We are seeing the involvement of a number of new social enterprises and community partnerships, some of which the hon. Lady is encouraging in her constituency. Indeed, one of the most exciting things about the green deal is its potential to give rise to new third sector involvement in delivering energy efficiency services. I appreciate the intention behind her amendment 26, and although I cannot support it I hope she will engage with us on the consultation that we will undertake in the autumn on strengthening the code of practice. Her input will be valuable, as it has been for other elements of the Bill.

We believe that existing legislation and the green deal code of practice will protect consumers while encouraging a healthy promotion of the green deal. However, we are also clear that elements of the green deal process must be impartial if consumers are to trust the information with which they are provided. That is particularly true of the assessment.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): On the code of practice, will the Minister ensure that all lessons are learned from the failure of the energy companies to act properly on the doorstep—a fact that they are beginning to recognise themselves by abandoning doorstep selling—and that none of the bad practices from which constituents have suffered in the doorstep selling of energy are transposed into the green deal?

Gregory Barker: Yes. I have a great deal of sympathy with that point. We believe strongly that high-pressure sales tactics, which cold callers sometimes use illegally, should be prevented. When I referred previously to cold calling by assessors, that is the kind of activity to which I was referring and is, I think, what the hon. Member for Brighton, Pavilion was thinking of too.

Barry Gardiner (Brent North) (Lab): Will the Minister also ensure that when the new measures under the green deal are being touted door to door, there will be no opportunity for the simultaneous selling of energy?

Gregory Barker: That is a good point. We certainly do not anticipate that assessors would be able to go door to door, give an assessment and then have people sign up there and then. There will be a cooling-off period. We considered in Committee whether an assessor could also be a representative of a commercial organisation or company. We came to the view that that could be possible, but that there would have to be a clear distinction between the roles they performed. An assessor would have to make their assessment on a uniform format and to the same standard right across the industry, so that it could be taken to other providers of green deal services. We would encourage all consumers to get a competitive quote before committing. If consumers wish to go with the first person who knocks on their door or the first person whom they invite in to make an assessment, it is obviously their right to do so. However, we are building in apparatus to ensure that that is not encouraged.

Barry Gardiner: I am grateful to the Minister for giving way again; he is being extremely generous. Will he confirm whether he believes it would be possible under the legislation for an assessor, who is there to give impartial and independent advice about one's energy consumption, also to be a representative of an energy company and to engage in the selling of energy to the consumer? It would be dangerous if the legislation permitted that.

Gregory Barker: Is the hon. Gentleman suggesting that an assessor would knock on someone's door, undertake a green deal assessment and, at the same time, encourage them to switch to another tariff? *[Interruption.]* He is suggesting that they would switch hats and do that. I do not expect that to happen, not least because the assessment must be independent. However, there can be a degree of cross-selling, provided that the independent assessment is truly independent. However, I shall clarify that when we come to the technical detail of the Bill. I understand that what the hon. Gentleman describes is possible, but energy company practice would be covered by the regulations, such as the code of practice. We shall have an opportunity to look at the detail of what they can offer under the code of practice, but I would expect that type of activity to be strongly regulated.

However, it would not be impossible—indeed, it would not necessarily be a bad thing—for people to be able to switch to a better tariff at the same time as they were considering their energy usage. We are encouraging consumers to switch. Far too many families in this country are on the wrong tariff and do not take advantage of the cheaper tariffs that are available, often from their own supplier, particularly by switching to a direct debit. I would therefore not want to rule out the possibility of a consumer taking a green deal assessment and, at the same time, switching to a cheaper, more appropriate tariff. Indeed, that might seem quite sensible, but it will be covered by the code of best practice.

Barry Gardiner: Although I agree that it should always be open to people to switch to a cheaper tariff, I am sure that the Minister would agree that energy advisers operate in an independent capacity and therefore engage with the consumer in a capacity of trust. Will he therefore ensure that if any energy adviser offers advice about switching tariffs, they will have to offer independent advice and will not be able to give it as a tied agent? Otherwise, there will be a perverse incentive for the energy companies to use a new doorstep sales technique, which will involve getting through the door as an independent adviser, switching hats—which will not always be obvious to the consumer—and then selling their own product.

Gregory Barker: I will need to consider that more carefully, because we accept that assessors can be part of commercial organisations. It is not a requirement of the green deal legislation—we went through this in detail in Committee—that they have to be totally impartial and that someone else should act as a salesman. For example, gas boilers have to be fitted to the high and rigorous standards set out in CORGI guidelines, and that work must be done independently. When we take our cars for a service and MOT, that must be done impartially and to a certain standard; yet at the same time, those doing that work are selling a service. Indeed, there are several examples of where it is quite possible for professional bodies to undertake professional services independently, transparently and to a uniform format, but where at the same time they have opportunities to sell.

Indeed, that is part of the attraction of the green deal. There is a quid pro quo at work: we are using the power of the market to scale-up the deployment of energy efficiency. Although we hope to go for an ambitious and large-scale eco-subsidy to work with the green deal, ultimately we are talking about a private sector proposition. We are creating a new market, but the investment that will drive take-up will come from the private sector, and obviously those making that investment will be attracted by more than just lagging. That is a good thing, because it will drive innovation and drive prices down as it increases competition, opening up energy services from the big six companies to a new array of retailers and, we hope, small and medium-sized enterprises and local groups. Competition will be good, but for competition there must be something for people to compete for. I hope that that reassures the hon. Member for Brent North (Barry Gardiner), but I will perhaps come back a little later to the point that he has raised.

Government amendment 30, which relates to the impartiality of green deal assessors, is a result of a commitment I made in Committee, given that so many Members were seeking reassurance on this point. It clearly sets out our intention to ensure the impartiality of the assessment process, and I urge the hon. Member for Brent North to look at it closely. We believe that it should be possible for assessors to be employed by a green deal provider, allowing for a more holistic service for consumers, but that should not interfere with the

impartiality of the assessment process. The code of practice for assessors will therefore include robust requirements for green deal assessors to act in an impartial manner and declare to consumers any links that they have with green deal providers—or, indeed, energy companies. That is vital in order to retain consumer confidence in the information that they are being provided with.

Andrea Leadsom (South Northamptonshire) (Con): The green deal seems to be a financial services product, and there will be similarities between selling that and, say, selling an ISA, rather than double glazing. This process will certainly involve selling a financial services product. Can my hon. Friend reassure me that, if the proverbial little old lady who lives alone is sold a product with a usurious interest rate, she will have recourse to the financial services ombudsman? Also, is there any intention for the Financial Services Authority to regulate the funding providers?

Gregory Barker: As this is defined as consumer finance, it will be the Office of Fair Trading, rather than the FSA, that will regulate this market. My hon. Friend makes a good point, however. It is our intention that there should be robust consumer protection, and we expect that the guidelines will be improved and refreshed to reflect the green deal. We will also expect the Office of Fair Trading to take a robust line from the very start, to ensure the integrity of the selling, and to ensure that any mis-selling is stamped out at the outset and full compensation is paid to any victims.

Mr Mike Weir (Angus) (SNP): One of the problems with energy mis-selling was that it was a long time before many of the cases came to light. Does the Minister have any thoughts on ensuring that the standards that are to be imposed on those selling green energy are regularly inspected to ensure that any problems can be detected at an early stage, rather than finding a huge range of problems several years down the line, which is what happened following the doorstep mis-selling in the past?

Gregory Barker: I can assure the hon. Gentleman that we will keep all elements of the green deal under close review. We are embarking on a really new, large-scale proposition; there is nothing quite like it anywhere in the world. We are pioneering a new model for energy saving, at scale, and as a result we will need continually to monitor all aspects of it, especially those relating to selling and mis-selling. We will need to ensure that the legislation that we have put on the statute book, the codes of practice that underpin it and the secondary legislation that we will introduce in due course before the launch of the green deal remain pertinent. If we identify any areas in which we think improvements can be made, we will not hesitate to make them.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Given the Minister's response to the question from the hon. Member for South Northamptonshire (Andrea Leadsom), it would be useful to know whether there have been any developments over the summer following our discussions on the golden rule. The distinction between the green deal and other financial products is that the cumulative cost of the rate of interest and the cost of the installation should not exceed the amount that people are currently paying on their energy bills. We discussed that in Committee, and it would be useful to know whether there have been any developments on that front.

Gregory Barker: There has not been any substantive development on that because we have not yet undertaken the consultation on the secondary legislation that will bring in the regulations. We have begun to hold discussions with stakeholders, and we will consult on the detail of the golden rule because it forms an important part of the measures, but there was no substantive movement over the recess.

1.15 pm

Barry Gardiner: The Office of Fair Trading will regulate the contracts. Has the Minister been in contact with his counterpart in the Department for Business, Innovation and Skills to check on the reduction in the number of officers who are able to enforce the measures? The process will put a considerable new responsibility on to the OFT.

Gregory Barker: I have not raised the matter in person, but my officials are working closely with a number of Departments—including, importantly, BIS—on that important element of the green deal proposition. We are satisfied that the OFT will have sufficient resource properly to monitor the green deal, and we will keep that under review as the green deal rolls out.

I will deal now with new clause 10 and the consequential amendment 36. The new clause has been tabled to replace the Opposition's amendment on green deal apprenticeships, which we accepted in Committee—a great personal victory for the hon. Member for Liverpool, Wavertree (Luciana Berger). As I said at the time, it is important that we take expert drafting advice on any amendment to a Bill, however well intentioned it might be. I reiterate that we fully support the creation of apprenticeships in green deal-related trades, and we will be happy to report to Parliament on our progress, as the hon. Lady requested. We believe that the new clause captures the spirit of her amendment; it simply clarifies a couple of technical matters regarding the exact nature of the new obligation. It requires the Secretary of State, before making the first framework regulations, to report to Parliament on the steps that he has taken to encourage green deal installation apprenticeships. I hope that that satisfies the hon. Lady.

Taken together, these are important measures in what will be the most ambitious home improvement programme since the second world war, and I hope that the whole House will support them. There are other amendments in the group that I have yet to address.

Ian Lavery (Wansbeck) (Lab): Getting back to the financing of the green deal, is the Minister aware that 1.9 million people are in arrears with their energy bills, and that that number is increasing by the day because of the increasing price of energy? Is he also aware that 5.5 million people are living in fuel poverty, and that that figure is also rising by the day because of the problems with the energy companies? Will not those people who have been unable to pay their bills have difficulty in gaining access to finance for the green deal?

Gregory Barker: Of course they will have access, although it might vary in individual cases—I cannot give a universal commitment. The hon. Gentleman is right to raise fuel poverty, and in the Adjournment debate this evening called by his hon. Friend the Member for Glasgow North West (John Robertson) we will be able to debate the matter more specifically. Importantly, for the most fuel-poor there will be the energy company obligation. We fully recognise that a significant number of families will simply not be able to afford to pay for the green deal interventions through paid-for savings, because if they cannot afford to spend the money on heating in the first place, they will not capture the savings. We will therefore ensure that the very substantial energy company obligation will be directed towards meeting the needs of those vulnerable consumers.

Ian Lavery: The energy company obligation does not wholly focus on the people I mentioned, though. My worry is that the 1.9 million people in arrears and the 5.5 million people in fuel poverty—the poorest and most vulnerable, many of whom are elderly—will not be able to get finance under green deal. I am worried that that will create more poverty and do great harm to those who need help the most.

Gregory Barker: One or two, or small numbers, may fall through the net, but by and large we have to think about how the green deal will be implemented. Many of the families and individuals the hon. Gentleman is worried about will be captured by community roll-out and street-by-street roll-out of energy efficiency improvement schemes. We have the ECO so that we can offer whole communities the same service on an equal footing, regardless of their ability to pay. We will have to think about how to ensure fairness, because we want to include people living in isolated communities or those living in a relatively prosperous areas in a detached home, perhaps on their own, but I think the vast majority of the types of vulnerable consumer the hon. Gentleman is worried about will be captured by the whole-community approach that we anticipate will be taken up by many local authorities in street-by-street approaches. We need the ECO to be able to offer insulation and home improvements to whole streets, regardless of income, to ensure that we do these things at scale. I do not pretend that we have the perfect solution, but I believe that what we have is by far the best approach in comparison with anything tried before.

With that, I will finish. I will respond to the other amendments raised by hon. Members when I wind up the debate on this group.

Luciana Berger: We are delighted that the Government are keeping the amendments proposed in Committee. We accept the proposals to make the provisions more workable, as the Minister set out.

Andrew Percy (Brigg and Goole) (Con): I wish to speak to my amendment 28. I am delighted to hear the Minister say that he will respond to it later, which allows me to make my points before they are addressed.

I say at the outset that I think the green deal is a fantastic idea. As we went into the election campaign, I was very enthusiastic about it and I found a lot of support for the concept on the doorstep. I pay tribute to the ministerial team for bringing it forward so quickly and in such a concise manner. It is especially important because it provides for improved energy efficiency of our housing stock, which is vital to protect not only the environment, but residents. It will also have the benefit of reducing carbon emissions and hopefully, if it works correctly, insulate our residents and consumers against rising energy prices. If the "pay as you save" model works as envisioned, many more homes will be made much more energy efficient than could have been achieved under the previous schemes, whose limitations anyone who has served as an MP or a local councillor will have seen. This model is a great improvement.

Affordability is a massive issue for our constituents, as no doubt all of us have seen over the summer, with a large amount of correspondence in our postbags arising from various energy companies raising their prices. Citizens Advice has informed me and other Members that there has been a 78% increase in hits to its advice websites compared with a year ago. That clearly demonstrates how welcome is any measure that helps to bring down prices and encourage energy efficiency. It is in all our interests that the green deal works properly and effectively and is accessible to as many residents as possible on an equal basis.

There are some concerns—the Minister probably heard them in Committee—about the attractiveness of the green deal to certain sections of our constituents. The Great British Refurb campaign has said that although the green deal is attractive, mass demand will be contingent on a number of factors. I believe it surveyed about 2,000 people across the UK and found that whereas 56% of respondents saw the green deal as attractive, only 7% said that they would be prepared to take it up if a 6% interest rate applied. That is why my amendment focuses on interest rates.

We need to ensure that the interest rates are as low as possible to make the scheme as attractive as possible to as many people as possible. That is what amendment 28 would allow. The advantage of setting a single scheme interest rate is that it will stimulate demand from as many people as possible while forcing green deal providers to compete directly for customers based on the cost and quality of the energy efficiency measures and installation, rather than on the headline interest rate of the finance. I believe that it will also help to increase transparency and empower consumers who would find it much easier to compare different offers and the services provided by different companies.

Mr John Leech (Manchester, Withington) (LD): Does the hon. Gentleman agree that the people most likely to be affected by high interest rates are the poorest, so having a level playing field will ensure that everyone gets the same deal rather than only those who can afford it getting the best deal?

Andrew Percy: I thank my hon. Friend. I am aware of his work in this area. He has said exactly what I am going on to say. It is important to ensure that the scheme is as attractive as possible to the poorest households, which, as he knows, are at the greatest risk of fuel poverty.

The alternative to a single scheme interest rate is risk-based pricing. In my view, green deal finance providers must not be able to price green deal finance packages based on the perceived default risk of the original occupier, given that the work done will stay with the

property probably long after that household has moved on, sold up or moved to a different private rented property. It would be unfair and illogical to allow that to happen, given that there is no way of predicting the default risk of any future occupants. We cannot price with accuracy on that basis.

Barry Gardiner: I perfectly understand the hon. Gentleman's point that the debt will be tied to the property and that the rate should be based on an average, but does he not accept that there is a very real tension between the need to persuade householders to embark on the green deal in the first place, which will happen only if they can see financial gain for themselves over the period that they propose to occupy the property, and the potential financial gain to the average family in the future? His proposal may create tension between the ability to sell the property and fairness to subsequent occupiers.

Andrew Percy: That, of course, is exactly what the golden rule is designed to protect against. My concern is that we offer residents—people living in the properties now—an equal interest rate across the whole area. We need to avoid people in more affluent areas being encouraged to take up the green deal by a lower interest rate than is offered to people in poorer areas or those perceived to be a higher credit risk, particularly tenants. There is a risk that landlords might be put off the green deal if they perceive that the cost is based on the occupancy of a particular tenant.

Caroline Lucas: I very much support the tenor of the hon. Gentleman's remarks and I wonder whether he supports my new clause 8, which would serve to make the green investment bank a vehicle whereby we could ensure that a common and low interest rate—one that is subsidised—is applied?

Andrew Percy: I looked at the hon. Lady's new clause and amendments, which are interesting. I look forward to hearing the debate and listening to the Minister's response to them. I am sure that he will say something to reassure her.

I am concerned that landlords might be unwilling to take out a finance package if they perceive it as reducing the market value of their property. Under risk-based pricing, those with a poor credit rating—often people on low incomes, who are at the highest risk of being in fuel poverty—might find themselves, by accident rather than design, excluded from accessing a green deal finance package. Tenants in the private rented sector may be at a high risk of exclusion from green deal finance, because the underwriting process for mortgages is such that home owners are likely to have a better credit rating. The Minister rightly said that we should extend as much choice as possible to residents. We need therefore to ensure that as much choice is offered to tenants in the private rented sector as is offered to property owners, and that is, I am sure, what the green deal is intended to do.

1.30 pm

Dr Alan Whitehead (Southampton, Test) (Lab): I am very sympathetic to the hon. Gentleman's suggestion that there should be a non-discriminatory interest rate across green deal finance, but does he not accept that the golden rule itself is, to an extent, a measure of mitigation of what may well be universal high interest rates, set by green deal providers on the grounds that they are private companies providing finance? Does he accept that ensuring that there is a level playing field for finance in general does not resolve the problem that the golden rule may result in very few changes being made to a property as a result of high interest rates, and that additional measures such as green investment bank intervention may well be needed?

Andrew Percy: I take the hon. Gentleman's point and will be interested to hear Ministers' response to it. Although we understand how the green deal must operate, we all want to ensure that it is made as attractive as possible and that there is as much choice as possible. What worries me is that if we go down the route proposed, poorer households and, in particular, landlords may be put off.

With risk-based pricing, I fear that people with short tenancies may be charged a higher interest rate than owner-occupiers or tenants who have lived at the same address for a long time. Short-term tenants who default may be difficult to pursue and may already have a chequered credit-rating history. More important, however, is the fact that risk-based pricing is probably unnecessary. As others have pointed out, the golden rule should mean that no one, whatever their credit rating, ends up paying a higher energy bill than they would have without the green deal.

If risk-based pricing is permitted and finance providers try to charge households with poor credit ratings higher interest rates, the total cost of the measures could exceed the golden rule threshold, with the result that such households are likely to be refused green deal finance altogether. I think that that is the point that the hon. Member for Southampton, Test (Dr Whitehead) was making. Although it is possible that the golden rule will hold interest rates at a reasonably low level for most consumers, it will not do that for all of them. As the Minister said, other options are available, but while the energy company obligation may help the very poorest, some consumers could be trapped between the two. I should be interested to hear his response to that as well.

As I said at the beginning of my speech, we must design a system which, as well as being future-proof, can be drawn as widely as possible. I represent a great many people in private rented accommodation, particularly in Goole, and much of it is of poor quality, consisting of single-skinned brick terraced houses to which earlier schemes could not be applied because they had no cavity walls. I do not want private landlords to be deterred from encouraging tenants to take up the green deal because they fear that their properties will be devalued in the future as a result of the higher energy costs.

Many tenants have told me that they have huge problems with damp, meaning that there are rooms that they cannot use. Their houses are crying out for energy efficiency measures. I do not want them to be the ones who do not benefit from the green deal, while constituents living in leafier areas who happen to own their properties do benefit from it, and I know that the Government do not want that either.

Ian Lavery: The Minister mentioned the ECO, which focuses in two directions. Does the hon. Gentleman agree that it should focus solely on those who most need energy efficiency measures and who are unable to pay for them?

Andrew Percy: That is entirely the right principle. The communities to which I have referred, many of whom I represent, risk fuel poverty because they live in the very worst properties with the very worst energy efficiency ratings.

I will not press my amendment to a vote because I think that the green deal is an exciting proposal, I strongly support it, and constituents to whom I have spoken find it very attractive. However, I shall be interested to hear what assurances Ministers can give me and people outside that the scheme will be designed to be as accessible as possible to as many people as possible, and that it will not exclude anyone. No matter how small their number—it may be just the odd one or two—there are people who are very much at risk, and they must be drawn into the scheme by some means.

Caroline Lucas: My name is attached to five of the 15 new clauses and amendments in this group. New clause 8 would require the Secretary of State to report to Parliament within six months of the Bill's becoming an Act with proposals on how the green investment bank could maximise take-up of the green deal.

Much more needs to be done to make the green deal as attractive and appealing as possible. Given that the energy companies have found it difficult to give away energy efficiency measures in the past, I fear that the "pay as you save" mechanism, as currently designed, will not be enough to drive the level of adoption, or the depth of the improvements that are needed for the delivery of huge emissions savings from our housing stock. In Committee we discussed possible drivers, including council tax or stamp duty rebates linked to the green deal, and reduced VAT rates for products bought under it. I support all those options, but I think that we should chiefly explore the idea of using the green investment bank to subsidise the interest rates, for all the reasons given by the hon. Member for Brigg and Goole (Andrew Percy).

The hon. Gentleman mentioned a survey. I have figures from the same survey. A key statistic that the hon. Gentleman did not mention was that about a third of home owners said that if the interest rate were set at 2% per annum, they would be "very" or "fairly" likely to take up the green deal. As the hon. Gentleman said, the figure fell to just 7% of home owners when an annual interest rate of 6% was suggested. It is clear that if the Government are still considering interest rates above 6%, they will face real challenges in attempting to drive sufficient take-up.

In Germany—which I realise operates a different scheme—an energy efficiency household loan programme offers publicly subsidised interest rates of 2.65%. That programme has achieved 100,000 residential retrofits in a year. The Government must achieve 145,000 every month if they are to fulfil the ambition that they set out at the beginning of the process, and they are intending to do that at market interest rates, which are much higher. I do not see how that will work.

Gregory Barker: It is not correct to compare the two schemes. The German scheme consists of a normal personal loan, secured in the normal way. It must be applied for through the banks, and in the case of a successful application the interest rate is subsidised. That is the nub of the programme, which I have discussed in Berlin with the German environment Minister. There is a great deal more to the green deal, which involves substantial subsidy not of the interest rate, but of the interventions themselves. We expect that most solid wall installations will attract a substantial element of subsidy, and that other interventions for fuel-poor households and more vulnerable customers will also be able to attract subsidies. Customers may pay a competitive interest rate, but they will be doing so on a significantly subsidised final bill, and I would have thought that it was much better to pay a competitive interest rate on a smaller bill than a subsidised interest rate on a higher bill.

This is a fundamentally different proposition, therefore. The German scheme simply involves subsidies of existing loans. What makes the green deal unique is that it is not a personal loan in the way the German scheme is. It will be secured against savings on future energy bills. It will not add to the personal debt of the individual who benefits from the installations, and it will remain with the home. There is also the golden rule. I apologise for making such a lengthy intervention, but it was important to put that on the record.

Caroline Lucas: We discussed this matter in Committee, so I know that the Minister and I do not agree. I still do not think that the measures under the green deal will be significantly subsidised. I agree that we have the ECO pot of money for the fuel poor and hard-to-treat homes, but the figures that have been discussed in respect of the ECO are about £1 billion to £2 billion, which is a small amount given that we hope there will be mass take-up of the green deal. Most people who take up green deal provisions will therefore not feel that they are being significantly subsidised. I still do not agree with the Minister that this proposal will in its current form be attractive enough.

Dr Whitehead: In the light of the Minister's intervention, the hon. Lady might want to point out to him that the logical consequence of setting a market rate in respect of the green deal and the golden rule is that a significant proportion of those who cannot access the green deal at a market rate will be pushed into the ECO. That underlines the point made earlier about the purpose of the ECO: is it a fuel poverty device, or is it a device to mop up, as it were, those people who cannot afford the green deal at a market rate, which the Minister appears to think is the case? If it is the case, perhaps it ought to be clearly spelled out in our discussion.

Caroline Lucas: I am extremely grateful for that helpful intervention. It focuses on some of the contradictions in respect of the purpose of the ECO, and I hope that in this debate we can make clear what exactly the ECO will be for, how big it is going to be, the extent to which it is intended to subsidise those who are in genuine fuel poverty, the extent to which it is intended to subsidise those who cannot afford market interest rates, and the extent to which it is for hard-to-heat homes. There is a lack of clarity, and I worry that ECO is being used as a

kind of get-out-of-jail-free card, in that whenever there is a difficult question, the ECO tends to be the answer. There simply is not enough money in the ECO for it to be the answer, however. The financial community has much less appetite than has been suggested for providing affordable green deal finance, which is why the green investment bank must step in.

As Members may remember, on Second Reading the Secretary of State quoted Conor Hennebry, director of global capital markets at Deutsche Bank, as having said that

"'the City is practically champing at the bit to finance the government's green deal.'"—[*Official Report*, 10 May 2011; Vol. 527, c. 1059.]

That sounds very good, but the Secretary of State failed to add that Mr Hennebry went on to say:

"Financing the green deal is absolutely possible for us"—

the City—

"but whether the figures will stack up for you is a different matter."

That is the crux of the issue: will the figures stack up in respect of rolling out this programme as widely as possible? I do not think they will. It is not at all clear that the figures will stack up for householders, unless there is Government support through either the green investment bank or the ECO. If the ECO is to be used, that is fine, but we must make it an awful lot larger and make its provisions a lot clearer.

No matter what interest rate is applied to the loans, it is vital that consumers have confidence that their rights will be protected if they take up a green deal offer, and I seek to strengthen those protections in amendments 26, 49 and 50. Amendment 26 would ensure that only products and services that reduce household emissions could be sold during green deal assessments and installation visits. Amendment 49 would ensure that consumer protections on the repayment of a green deal loan are extended to energy advice services or energy plans that are not specifically green deal plans. Amendment 50 would ensure that the Secretary of State can make regulations to ensure that quotes provided for green deal goods and services are easily comparable.

1.45 pm

The Minister mentioned amendment 26 on what can and cannot be sold as green deal assessors go house to house. I do not propose a blanket ban. The amendment has changed since Committee. It is perfectly okay for somebody to knock on doors if they are talking about measures to reduce CO_2 emissions, but it is not okay if they want to talk about wallpaper, for instance. I do not mention wallpaper in order to be frivolous. Rather, I wish to remind the Minister of what he said in Committee:

"If Marks and Spencer, or any other retailer, went into someone's home to offer them a green deal, I am sure that it would also take the opportunity to market wallpaper, carpets and, if the walls are being lined, curtains and perhaps a sofa. This is a huge opportunity for home improvement, which will not be lost on responsible retailers. They will offer not just additional energy measures, but a whole package of other home improvement measures in a commercial atmosphere."—[*Official Report, Energy Public Bill Committee*, 9 June 2011; c. 120.]

I am not at all relaxed about that, because I think it will lead to the pressurised mis-selling of products unrelated to energy efficiency, and that could completely undermine the green deal. There have already been similar problems in the small-scale renewables market, and they must be prevented in the context of the green deal. Sales in the home do not happen in a commercial atmosphere. Green deal assessors or providers are invited in because consumers are interested in energy efficiency. It is vital to ensure that commercial enterprises do not abuse the terms of those visits by pushing products that will not improve a home's energy efficiency. I agree with the hon. Member for Brent North (Barry Gardiner), who pointed to the danger of some enterprises using the opportunity of being in someone's home to try to persuade them to change to a different tariff as well.

Barry Gardiner: The hon. Lady will remember that when the financial services regulations were introduced, banks had to declare up front whether they were providing information and advice to their customers in an independent capacity or as a tied agent for themselves. Does she agree that it is also important in terms of the green deal that people who have gained a householder's trust and entered their home on the basis that they are providing impartial and independent advice do not, once inside the front door, switch hats and start offering advice as a tied agent of another service provider?

Caroline Lucas: I completely agree. Trust is crucial if the green deal is to be successful. We want people to be talking about it, telling their friends and neighbours how great it is; we want there to be a real buzz and momentum behind it. If there are just a couple of cases of such mis-selling, the whole process will be undermined.

I also seek to extend the same consumer protections for the repayment of a green deal loan to energy advice services or energy plans that are not specifically green deal plans. If a householder decides after the initial green deal assessment to pay for the services up front without the need for a green deal loan, they ought to be eligible for the same kinds of protection they would receive if repaying the loan in a different way. If the clause in question is left in its current form, regulations regarding protection and redress will hang not on what a consumer buys, but on how they pay for it. That is perverse. If the consumer pays up front, the protections and regulations will not cover them. Only if they take the green deal loan will they have those protections. If people are not protected until they have signed a contract, how will that help consumers during the advice and contracting stage when they may not have decided to pay for green deal services yet, let alone how to pay for them? Also, who can the consumer complain to about pressurising sales tactics if they walk away before they have signed the contract? Will consumers choose the financial option that is best for them if they have to use green deal finance to get ongoing support from the advice line and redress scheme? I hope the Minister will address those questions in summing up.

My final concern in relation to this group of amendments is about the comparability of green deal quotes. It is vital that consumers are in a position to make an informed choice about which green deal is best for them, and that could be nigh impossible if the different quotes received are hard to compare. I should like the Minister to address this by ensuring that all green deal quotes are provided in a way that makes them very easy to compare with one another, to judge and to assess.

[Caroline Lucas]

I have detained the House for some time so I shall conclude. My final amendment in this group would give consumers the right to choose which energy bill their green deal loan repayments would be applied to. In 78% of occupied British buildings, heating and hot water are provided by natural gas, so that is the fuel most likely to be reduced after a green deal makeover. It therefore seems logical for customers' gas bills, where possible, to carry green deal loan repayments because if the golden rule is working, their gas bills will not become more expensive after the green deal repayments have been applied. It is there that the advantage of the green deal will be most apparent to householders.

If the repayments are added to electricity bills, those electricity bills are not likely to fall so much after a green deal makeover unless a home's space and water are heated by electricity, but far fewer homes are heated by electricity than by gas. That means that in the vast majority of cases, green deal customers will potentially have lower gas bills but higher electricity bills. That makes it harder to see whether the golden rule is working and risks undermining the central pay-as-you-save principle, as well as eroding customers' confidence in the value of the deal. I hope the Minister will therefore consider allowing consumers to choose which bill they want their green deal payment to be applied to so that their management of the green deal is as straightforward as possible.

Barry Gardiner: I am delighted to follow my hon. Friend the Member for Brighton, Pavilion (Caroline Lucas), who has made a very informed speech about exactly the points at the heart of the measures. I, too, want to address the green deal to dig out more about the golden rule and the energy company obligation. We all agree that it is right that energy efficiency improvements should be provided at no up-front cost. That is a good thing that we all support across the House and want to see implemented. As has been pointed out, however, the loans will be provided at commercial rates through the green deal and will attach to the property, not the householder, for up to 25 years.

The golden rule has been introduced to require that all green deal loans are less than the repayment cost resulting from the installation of the measures. The qualifying energy efficiency improvements will be determined through the energy performance certificate. This means that any savings will be estimated and based on standardised use. As a result, there are no guarantees that actual savings will match or better the estimated savings, as I pointed out to the hon. Member for Brigg and Goole (Andrew Percy). The Bill's central premise is that consumers will save more on their energy bills than they will repay in loan costs and that that will be enough to drive consumer demand. However, the Bill provides little detail about how demand for the green deal will be driven beyond that basic finance mechanism other than through the introduction of the new ECO, which will underpin the deal and subsidise properties that require energy efficiency improvements but for which the golden rule would not be met.

It is estimated that the green deal will reach more than 40 million homes by 2020 and a further 12 million by 2030. That amounts to the retrofitting of 1.7 million homes a year—that is 4,800 a day—between 2012, when the green deal starts, and 2020. The Committee on Climate Change has estimated that, between 2012 and 2022, we would need to insulate 8.3 million lofts, 5.7 million cavity walls and more than 2 million solid walls to meet the UK's carbon budget. The Government's expected take-up of those measures, through the green deal and the extension of the carbon emissions reduction target, misses those requirements by 3.8 million lofts and 2.7 million cavity walls.

Although I support the aspiration behind the green deal, it is difficult to see how it can be achieved under the proposals. Indeed, the Committee on Climate Change's third progress report to Parliament concluded that the Government proposals should help to strengthen incentives for the take-up of energy efficiency measures. However, there is a significant risk that they will not adequately address the range of financial and non-financial barriers. I do not want to talk the measures down because Members on both sides want them to work, but it is important that we are realistic about their likelihood of success.

The economies of energy efficiency retrofits at today's energy prices simply are not attractive, as my hon. Friend the Member for Brighton, Pavilion has pointed out, because of the gap between projected returns based on current energy prices and the cost of borrowing—a gap that can be met only if substantive subsidies are applied. Recent analysis by E3G has highlighted that at today's prices and with the commercial interest rates that the Government intend to apply to green deal financing, the golden rule cannot be met on a 25-year loan. The Government have quite rightly identified that the up-front costs of improvement and access to capital are significant barriers to the uptake of energy efficiency, but we should be clear that the green deal alone will not overcome them. Without intervention to limit the cost of borrowing, consumer demand for green deal programmes could be very low indeed.

Furthermore, access to capital is not a universal problem. For those who can afford them, savings, mortgage extensions and personal loans have long been readily available to provide up-front capital for energy efficiency investments, yet they have not been used on any scale, despite the fact that many people are able to procure those borrowings at 5% or 6%, let alone at the 11% that the Government are suggesting. Financing through the green deal simply does not stack up for the rational investor, and particularly for low and middle-income households.

Let me give an example. The annual energy bill for an average household is calculated at £1,029 a year. A good whole-house retrofit would be expected to save approximately 50% on the average energy bill—in this case, just over £500 a year. Solid wall insulation was identified by the Committee on Climate Change as the main energy efficiency measure that could usefully be financed by the green deal, but according to DECC's own analysis, the capital cost of solid wall insulation ranges between £7,600 and £12,600. Let us take the cost of £12,600 and the maximum saving of £500 a year; in fact, DECC's analysis estimates that solid wall insulation would save only £400 a year, but I give it the extra £100. Through the green deal, if we pay back £500 a year, through the savings on the energy bill for that average

house, against the £12,600 loan over 25 years, we still do not pay back the full amount. That deal fails the golden rule.

An energy company obligation is being introduced to subsidise the difference, reducing up-front costs to the point that they are less than the energy savings. The Committee on Climate Change estimates that up to £17 billion of support will be required through the ECO to insulate 2.3 million solid walls by 2022, but the Government estimate that the total ECO support will be only £1 billion. The fact that the golden rule cannot be met even before the cost of finance is factored in is a matter of huge concern.

The Government have calculated that the green deal's financial cost will be cheaper than a market personal loan, but they concede that it could mean rates of up to 11%. At today's energy prices, to drive demand by meeting the green deal's golden rule, 25-year loans would need to be offered at rates of 2% or less. E3G's recently published analysis concluded that a £15,000 loan at 0% over 25 years for changes that delivered a 50% energy saving and lifetime savings of £2,461 could meet the golden rule in year 8, but that the same loan offered at just 2% would incur losses of £1,747 over that 25-year period, whereas a similar £15,000 loan for changes that delivered just a 35% energy saving would not break even at all even with interest at 0%.

2 pm

At more commercial rates, the economies of the green deal are simply unmanageable. Households with access to capital—those with the option of using savings, mortgage extensions or personal loans—are not using it for this purpose and will not be incentivised to do so under the Bill. Low-income households could require up-front grants of 55% of the overall cost of making energy efficiency improvements, simply to reduce costs to a level where the remainder of the capital could be borrowed at commercial rates over 25 years without any negative impact on annual household outgoings. For many investments to break even over that 25-year period, they would need a significant subsidy via the ECO.

The ECO's objective is to support low-income and vulnerable households and properties that need energy efficiency measures that do not meet the golden rule. The cost would be recovered from increases in consumer bills. That is a worryingly regressive means of funding energy efficiency measures, particularly given the likely subsidy that will be required to make the green deal viable. In my example, under the ECO, many households that do not benefit from energy efficiency improvements could subsidise those that do.

The ECO will be accompanied by the withdrawal of the Warm Front scheme by 2014. It will be replaced by the affordable warmth element of the ECO, the purpose of which is to provide up-front support to help households heat their homes affordably. In 2009-10, Warm Front delivered more than 21,000 cavity wall and 40,000 loft insulation measures, as well as 80,000 boiler replacements. I should be grateful if the Minister he clarified what proportion of the overall ECO will be targeted at the affordable warmth element and the criteria that he will apply to determine what low-income households will be eligible and how many retrofits the Government estimate will be carried out under the affordable warmth obligation.

Luciana Berger: It is helpful at this point to refer to the Treasury levy cap, which has not yet been mentioned. We will not know for some time whether the Office for National Statistics will determine that the ECO should be considered in the same vein as the warm homes discount, the feed-in tariff and the renewable obligation. If it does, the ECO could be even more constricted and less than the figures that my hon. Friend is talking about.

Barry Gardiner: The shadow Minister is absolutely right that there has yet to be clarity on the issue, and clarity is vital. If we are to meet the targets that the Committee on Climate Change has set and the budgets, we must know that sufficient funds are available for the ECO to meet those targets. At present, my analysis and other analyses are quite clear that up to £22 billion is required, although an absolute cap of £1 billion might be provided under the ECO. As my hon. Friend suggests, that £1 billion might prove not to be a full £1 billion after all.

On new clause 9, the Secretary of State for Energy and Climate Change has estimated that the green deal will lead to employment in the sector increasing from 27,000 jobs currently to something approaching 250,000 jobs by 2020. That involves the creation of 27,875 jobs every year from the start of the green deal until 2020. Double the number of jobs that currently exist must be created every year. We heard earlier at Prime Minister's Question Time about the latest unemployment figures and particularly the problems of youth unemployment. Of course, if those jobs were created, we would all welcome them, but there must be a doubt about these provisions.

In opposition, the Prime Minister called for a revolution in skills and training, so that the skills system responds far more effectively to the needs of individuals and businesses in a greener economy, but the recent green economy road map recognises the importance of that and refers to the introduction of new skills for a green economy and the grouping of sector skills councils to help businesses understand the changing skills requirement. It is crucial that that new grouping of sector skills councils supports the development of the additional 27,875 jobs every year between now and 2020. It would be of considerable interest to the House if the Minister explained what financial provision will be made to the sector skills councils to enable that sort of expansion—a tenfold expansion—to take place in the next nine years.

Gregory Barker: I should like to start by thanking the hon. Member for Brighton, Pavilion (Caroline Lucas) for tabling amendments 49 and 50 and my hon. Friends the Members for Manchester, Withington (Mr Leech) and for Brigg and Goole (Andrew Percy) for tabling amendment 28.

Amendment 49 would require that any energy efficiency services provided or products sold by green deal participants, in addition to those paid for with green deal finance, should be subject to the green deal regulatory framework. It is important to note that the green deal is an innovative form of finance agreement that is attached to the meter and therefore passes between bill payers. I think that we all understand that. So it needs specific protections, which are not necessarily relevant to those who do not take out the green deal.

[Gregory Barker]

I should like to assure hon. Members that we intend to require customers to be made fully aware of the difference between offers that fall under the green deal scheme, with all its specific safeguards, and those that fall outside. However, many of the forms of mis-selling that rightly concern the House can be prosecuted already under existing general consumer protection legislation. We will not accept companies using green deal accreditation as cover for less appropriate goods and services.

Amendment 50 would ensure that recommendations and estimated costs and savings are clearly and transparently communicated to the consumer as part of the green deal plan, thus enabling customers to compare offers. I should like to reassure hon. Members that we intend to require green deal providers to set out clearly how the proposed savings and costs meet the golden rule principle, as enabled by the power in clauses 4 and 5. I urge hon. Members to look specifically at clause 5.

In addition, the Consumer Credit Act 1974 will apply to domestic green deal plans in full, bar a few essential amendments, thus ensuring robust consumer protection, and it already regulates the provision of information to consumers who enter into credit arrangements.

Caroline Lucas: I wonder whether the Minister can clarify things a little further. On amendment 50 and comparability, is he saying that there are some guidelines somewhere that will ensure that many different green deal providers will be required to present the savings that are likely to accrue from investing in a green deal package in a similar way, so that they are genuinely comparable? On amendment 49, if a green deal assessor goes in and after a big assessment the householder decides not to take a green deal finance package but to pay up front, will they be unable to access things such as an advice line?

Gregory Barker: Such people can certainly access the advice line. If people choose to pay in full and not to take finance agreements, they will not be any less covered by the accreditation of all green deal service providers and the protection and warranties that go with all green deal products. We must not forget that the green deal is not just about financial arrangements where consumer protection kicks in. We will set out in further detail in secondary legislation, which hon. Members will thoroughly scrutinise, and go to great lengths to ensure that there is a rigorous consumer protection element to the accreditation of all services that are green deal applicable. That will apply whether or not they are financed by consumer credit. Obviously, all products must be specified and approved for use under the green deal to ensure that they meet the golden rule.

Barry Gardiner: I welcome the fact that the Minister has said that customers and consumers will be protected by consumer credit legislation, and I welcome the fact that robust secondary legislation outlining further protections will be put in place. Will he tell the House at this stage whether he believes that consumers will be protected by the legislation that applies to the financial services industry so that an adviser can act either as a tied agent or as an independent agent, but not mix and match the two roles—at least not in the same consultation? If that protection is not provided by existing legislation, will he ensure that it is introduced in the secondary legislation to which he referred?

Gregory Barker: We will have to disagree on this. I understand the protections that the hon. Gentleman is trying to insert into the Bill, but I take a slightly more optimistic view of the potential both for introducing competition in the green deal process and for home improvement.

The biggest driver for take-up—and this is different from the German experience—is not concern about climate change and, surprisingly, it is not even concern about saving money on energy bills. The consumer research that our stakeholder forums have commissioned is revealing, because the majority of consumers said that the biggest factor in their taking up the green deal would be a desire to make their home nicer. That may seem counter-intuitive and surprising, given the high cost of energy, but more than half of respondents indicated that home improvement was the driving force. We need to harness that, and it is little wonder that people failed to respond to energy companies that were not in the home improvement game. They will be responsive, however to new entrants to the market such as B & Q, Marks and Spencer, John Lewis and so on, which excel in offering aspirational consumer propositions. Many people will seek to improve their house, and see no contradiction in making improvements by purchasing new wallpaper and carpets while, at the same time, undertaking energy improvements. I regard this not as an either/or conflict, but as an opportunity to ride on the back of that motivation. Rather than offering a hairshirt proposition, we should harness the inherent instincts of the British public to improve their home, and make it both nicer and warmer.

I welcome the arrival in the market of a host of new players offering additional propositions for home improvement that fall outside strict energy efficiency measures, because that will draw in more people and catch their interest, but—and it is an important but—we must ensure that the integrity of the independent assessment is upheld. We must ensure that there is no inappropriate cold calling or hard selling in the home, which is why we will thoroughly review the measures that are in place. If the evidence shows that they are not sufficient, we will introduce strong codes of practice and ensure that assessments are thoroughly independent. However, I do not share the pessimism of the hon. Member for Brent North (Barry Gardiner), or his reluctance to introduce the two measures alongside each other. As long as that is done in a thoroughly transparent and responsible way, it could be a benefit, rather than a negative.

2.15 pm

Barry Gardiner: The Minister has said that in his view the green deal is market driven—that is a fundamental difference from the German scheme—so investment by commercial companies will propel the scheme forward. He is telling the House that, in a sense, it is driven principally by the profits that those companies will make. It is not driven by the imperative of increased energy efficiency, or by the need to meet the carbon budgets set by the Committee on Climate Change, or by the need to address fuel poverty. It is driven by the

profit motive. I am willing to capture the drive that the market can bring, but the focus of the scheme, as set out by the Minister, is fundamentally wrong.

Gregory Barker: I know that the hon. Gentleman is not quite an unreconstructed, planned-economy socialist, but he is confusing means with ends. The purpose of the green deal—our starting point and our end point—is to meet our carbon budgets and fulfil our legal and statutory obligations under the Climate Change Act 2008, which was introduced with the support of Members in all parts of the House. For decades, we have singularly failed to drive effective home energy efficiency and, come to that, energy efficiency in the business and industrial sectors. Given the size of the deficit and the burden on the public purse, we are living in cloud cuckoo land if we imagine that we would drive down carbon emissions and transform home and business energy efficiency if we left the private sector untapped. We will achieve our objectives only if we harness effectively the power of the private sector. Of course, people will make profits, but provided that that is transparent and fair, I do not have a problem with it. It is called job and wealth creation, and spreading that widely. We do not have enough wealth creation in the UK—we need more—and the green deal will be an incredibly important vehicle in helping us to rebalance our economy and making us more efficient.

We should not ignore that, but it does not detract from the fact that the central aim of the legislation is to allow us to meet our stretching carbon reduction targets. The coalition is absolutely committed to doing so, and the green deal is the means to that end, so we should not confuse the two as the hon. Gentleman did.

Amendment 28, which was tabled by the hon. Member for Manchester, Withington and my hon. Friend the Member for Brigg and Goole, seeks to ensure that we have powers to place restrictions on interest rates that can be offered as part of the green deal plan. I understand the concerns that my hon. Friend the Member for Brigg and Goole articulated in his thoughtful speech, but I can assure him and other hon. Members that clause 5(1)(b) already provides the power—we accept the point that the hon. Gentleman is making—to limit interest rate structures that can be applied to green deal plans. It will not be possible to create a valid green deal plan, unless it specifically complies with the conditions contained in, or made under, clause 5.

The green deal is a market mechanism, and the golden-rule principle will create a natural incentive to drive down costs, so the Government do not intend to place restrictions on the level of interest charged. However, we are considering broader restrictions to ensure that green deal plans are equitable not just for the first but for all subsequent bill payers. This could mean limiting interest rate structures offered to domestic customers to those with the greatest likelihood of the golden rule being met in the first and subsequent years, and we will be consulting on what is quite a complicated area, not just with stakeholders in the financial services sector, but with all concerned stakeholders.

I would certainly welcome the thoughtful input from Members on both sides of the House into this important area of how we ensure we get the most competitive interest rate for the consumer. I invite my hon. Friend the Member for Brigg and Goole, the hon. Member for Manchester, Withington, and other hon. Members who have spoken in the debate and expressed legitimate concerns, to meet my officials so that we can ensure that we take notice of their concerns and take advantage of some of their ideas. I hope that I have been clear throughout proceedings on the Bill that we do not have a monopoly on the best ideas. As we develop the fine detail of the green deal, I am more than happy to work with them.

We recognise that the interest rate is only one of the drivers of affordability. We do not want unnecessarily to focus just on the interest rate. The actual cost of the products, particularly things like solid wall insulation, will be a key driver. Replacement windows are in a very exciting place. For the first time, because of technical innovation and the increased thermal value of new glazing, and because prices are coming down, we can anticipate that we will be able to include glazing in windows. Consumer-facing home improvements will come within the remit of the green deal, and make it much more attractive. The green deal will not just be about out of sight, out of mind, hidden interventions in a household, but about things that people will really value on a day-to-day basis.

Ian Lavery: Will the Minister give a categorical guarantee that anyone who cannot pay the green deal part of the bill will not have their supply disconnected?

Gregory Barker: The hon. Gentleman's question is predicated on a misunderstanding. It will simply not be possible for any consumer, poor or rich, to disaggregate their bill payments for the green deal, other charges and the energy consumed. There will not be that opportunity to withhold green deal payments, just as one cannot refuse to pay transmission charges or other levies that are included on the consumer bill. That will not be an option for them.

Caroline Lucas: Will the Minister confirm that he is still leaving the door open to using the green investment bank to support and subsidise the interest rates? I am not clear what he is saying specifically about the green investment bank.

Gregory Barker: That is a very important point. I do not rule it out completely. It is unnecessary to do so at this stage. But we do not anticipate that it will be necessary, and it is certainly not part of our planning and budgeting. Rather than the green investment bank subsidising interest rates at the consumer end of the journey, it is more likely that it will play a role in helping to pump-prime the liquidity in the bond market when we first see companies taking these aggregated packages of green deal finance and seeking to offer them into the bond market as new securitised products. In the long term, there is an exciting future, and there will be a lot of strong institutional demand for such products.

The conversations that we have had with the largest city institutions and banks have been encouraging and we have set up a working group. Short-term interventions to aid initial liquidity are more likely to be a fruitful use of green investment bank money. Although the coalition Government have promised £3 billion, substantially more than anyone anticipated at the general election, to fund this new important piece of financial architecture

[Gregory Barker]

in the City of London, which will make a substantial difference to our economy and drive green growth, that money can be spent only once. The key to the green investment bank priorities must be to address market failure. We cannot keep spending that money time after time. There are many demands on the green investment bank funding, and if the market, as we believe, is capable of supplying competitive interest rates in a way that is affordable to most consumers, supported by the ECO subsidy, it would be quite wrong to use green investment bank money when we clearly need to prioritise other areas of the low-carbon economy as well.

Likewise, as the hon. Lady can imagine, DECC is pushing for an ambitious ECO. This is a huge opportunity that is extremely cost-effective, and in terms of the hierarchy of spend on the low-carbon transition, the ECO represents incredibly good value, particularly compared with forms of low-carbon generation; but, again, the ECO comes out of consumers' bills, and there is a balance to be struck. We cannot keep pushing up the ECO, because ultimately that will start to become regressive. When the coalition came into government, we took steps to reduce consumers' bills by taking off the cost of funding the CCS programme and taking it into general taxation. We took measures to ensure that the renewable heat programme would be funded not through consumers' bills but out of general taxation, and that is a progressive measure. We have to ensure that we get the right balance and have an ECO that is good for consumers and does the job. We cannot treat it as a magic pot of money. It is paid by every energy bill payer, and more than ever, as world energy prices go up, they are scrutinising bills to ensure that they are getting good value for money.

Dr Whitehead: When the Minister says that he is pushing for a generous ECO, does he mean that he is pushing the Treasury to raise the cap that it has set on levies; that he is trying to ensure that the ECO is as generous as possible within the cap; that the ECO should remain outside the cap and therefore can be as large as he might wish to make it; or that the cap overall ought not to be referred further to the Office for National Statistics for a determination on whether the ECO is inside it at all?

Gregory Barker: All those issues are the subject of a constructive and thoughtful conversation between my Department and the Treasury.

Luciana Berger: The Minister has said that interest rates are just one element, and we have argued that it is integral and crucial to whether the green deal will deliver, not only because of the affordability of products—if the interest rate is 8% or more, very few products will fall within the golden rule, and if it is 6% or more, a few more will be added but some of the more ambitious measures would not be included—but most importantly because of public uptake. According to the Great British Refurb campaign study and polling of the public, just 7% of the public said that they would take up the green deal if the interest rate was 6% or more. The Government will not meet their ambition of reaching 14 million homes by 2020 if the interest rate is too high.

Gregory Barker: There will be a commercial consideration involved, because those matters are not lost on participants who want to carve out a large piece of what will be a substantial market. The interest rate is only one element of the cost. If the product bought is expensive, it does not matter if the interest rate is low. If a product is £1,000 and one is asked to pay an interest rate of 7%, would that be preferable to a product that costs £600 on which one pays 8%? There are many more variables than the absolute interest rate.

Customers will be looking for the absolute savings, taking into account the overall desirability of the package that they are being offered. The industry and new entrants will be looking at which of the levers they are most responsive to. I have no doubt that some companies will offer zero interest rate propositions. It is already possible to grab a sofa in the market and pay nothing until Easter or bank holiday Monday next year, and even then it may be with 0% finance. However, we know, because we are not stupid, that we invariably pay more in such offers than the actual price being offered. A sophisticated blend of different costs will be taken into consideration.

2.30 pm

I understand what the hon. Member for Liverpool, Wavertree says, but ultimately consumers will want to know that the actual savings they make will be substantially greater than the cost of doing the green deal, and then of course they will want to unpick the green deal to ensure that they will get value right the way through the chain. Incidentally, I have here the latest draft of the new energy performance certificate, which I am really pleased with. It is still a work in progress, but I will happily share it offline with hon. Ladies and Gentlemen.

I think that the competitive market will be rather more sophisticated and will be able to fish out where consumers will look. I am not dismissing the hon. Lady's claims. If borrowing is not available at competitive rates, that will clearly have an impact on the green deal, but our working assumption, which is based not on pie-in-the-sky figures formulated in DECC but on the detailed work done by our stakeholder working groups, with financial sector involvement and with my excellent officials, is that the interest rate, although challenging, will not be a barrier to successful take-up of the green deal.

Luciana Berger: We are obviously aware of the stakeholder groups and the consultations going on in DECC, but as far as I am aware only one or two consumer groups are involved, and the majority of organisations taking part in those discussions are businesses. None of the businesses I have spoken with has indicated that it will seek to present a 0% interest rate on its green deal package. Returning to the polling I just asked the Minister about, does he accept the polling from the Great British Refurb campaign, which indicates that only 7% of the British public would take up the green deal if the interest rate was 6% or more? All the organisations we have spoken with have indicated that the interest rate would be at that level or above.

Gregory Barker: I am afraid that the hon. Lady is wrong. We have a huge degree of engagement with consumer groups. All the obvious consumer groups

have been involved heavily in formulating different parts of the green deal, and that work is ongoing. I have not seen the particular research she mentions, but we have certainly had involvement from Which?, Citizens Advice and Consumer Focus, as well as from sophisticated investors and institutions in the City of London. I do not expect offers to appear until October next year, and it is most unlikely that ambitious new entrants in the market will declare their hand so far in advance: they will wait to see how the market shapes up and look at their competitors before revealing their offers. That is my expectation, which is based on observing what else happens in the market, rather than on what stakeholders have said to me at DECC.

Barry Gardiner: The Minister has explained candidly that the ECO is a regressive measure that will be imposed on general utility bill payers and that it will be an additional cost for them. He has also alluded to the fact that the Government removed the cost of carbon capture and storage from those bills on coming into office. Will he give an undertaking that the additional amount he proposes to impose on bill payers through the ECO will not be greater than what he and his Government have already taken off bill payers through their previous measures? He talks of securitisation in the bond markets, but will he explain how a default rate can be estimated, given his assertion that there will be no possibility of defaulting on that part of the bill?

Gregory Barker: The default rate will be the same as the standard default rate for electricity bills generally, which is a very low percentage. It is probably higher in the present economic circumstances, but when averaged out over a decade, it is very low compared with other instances, and it will not be extrapolated out of that. On the ECO, the hon. Gentleman seems to be trying to have his cake and eat it. The bottom line is that there is no magic source of money; it all has to come from somewhere and ultimately that is the taxpayer and the consumer, who are basically the same person in this context. We have to be very responsible and we are constantly looking for ways to lighten the load for hard-pressed consumers, who are concerned about rising energy costs.

We will publish in the autumn our expectations of how DECC policies, taken together, will impact on consumers through to 2020. The results of the early work are extremely encouraging. These things must be seen in the round—one strand of policy cannot be taken out as though it was part of a Woolworths pick 'n' mix. We have to take the energy efficiency measures, the levies and our other measures to encourage greater competition in the energy sector as a whole. We will publish that in the autumn, when I am sure the hon. Gentleman will have an opportunity to quiz the Secretary of State.

Caroline Lucas: The Minister rightly says that there is no magic pot of money, but there are certainly progressive and regressive ways of doing this. Does he agree that putting a levy on all consumer bills, irrespective of the financial situation of the householder, is inherently regressive? Indeed, the impact assessment of the 2009 extension of the carbon emissions reduction target showed that using a levy actually pushed more people into poverty than were pulled out as a result of the CERT money.

Gregory Barker: The hon. Lady makes an indisputable point. We are mindful of the mistakes made by the previous Labour Government, which resulted in a succession of levies being put on consumer bills without any thought to the long and short-term impact on the vulnerable. That is one reason why we saw such a steep rise in the number of people living in fuel poverty, which increased by millions during the last Parliament alone. It is a difficult balance to strike, and I can understand why Ministers took those decisions, because they had to find the money from somewhere. We are certainly very mindful of the point she raises, which is why, as the hon. Member for Brent North said earlier, we have taken steps to remove the levy for CCS and the renewable heat incentive levy from the bills. The Treasury will insist on clear value for money and due consideration of the impact on those who are least able to pay when we finally settle on the exact figure of the ECO, which will replace the CERT funding.

Amendment 27 tabled by the hon. Member for Brighton, Pavilion, and amendment 45 tabled by the hon. Member for Manchester, Withington, deal with the collection of green deal payments. Allowing either energy bill to be used to collect the green deal charge looks attractive. I asked the very same questions myself and got exactly the same initial response as the hon. Lady, but the devil is in the detail and close analysis reveals significant problems. Requiring gas suppliers as well as electricity suppliers to facilitate the collection of green deal charges, which seems the obvious thing to do, given that heating is the larger element, substantially increases the implementation costs.

I really pushed back on that in the early stages of policy implementation, but our findings indicate that it could increase the implementation costs by up to 50%, which would ultimately be passed on to consumers, mainly because most energy suppliers have separate gas and electricity billing systems. Introducing a choice between collection of the green deal charge via electricity or gas, however desirable—I am all in favour of greater consumer choice—would require regulating two groups of companies rather than one, which would increase the risk of implementation failure and potentially cause a delay to the launch of the green deal in autumn 2012. Auditing payment flows would also be more difficult, because there would then be two possible routes through which the funding might flow.

The idea of allowing the occupier of a property with a green deal plan to switch collection methods at any point also prompted considerable concern in the industry. It would increase the possibility of billing inaccuracies, which in extreme cases could increase disconnections, which I know we all want to avoid, as well as increase the overall risk premium and push up interest rates, which we obviously want to keep as low as possible. I will return in a minute to the issue of disconnection.

That leaves collection only by electricity or by gas; fundamentally, it comes down to an either/or situation. I agree with the hon. Member for Brighton, Pavilion that gas seems the obvious choice, but collection via gas bills would automatically exclude the possibility of billing in that way the 4.3 million households that are off the mains gas grid when they access green deal finance for energy efficiency measures. Many of those properties are in rural communities, and it is important to the

[Gregory Barker]

coalition that the green deal be available to both rural and urban communities. In contrast, almost all properties in Great Britain are connected to the electricity grid.

The change proposed would also raise the possibility of customers paying summer gas bills that are significantly higher than those before the green deal plan was taken out, which could be very difficult for many low-income families who are prepayment customers and not used to paying large amounts on their gas bill over the summer months. Many breathe a sigh of relief as they reach spring and have that little extra give in the family budget as a result of not having constantly to load their gas prepayment meter. It would be most problematic for prepayment customers on gas, who would then be expected to carry on paying charges equally through the summer, when normally they do not.

We still have a lot more work to do to deal with the iniquity of billing, whereby people on prepayment meters and low incomes often end up paying a higher tariff, so for the foreseeable future it makes sense to ensure that the charge is levelled out across the electricity bill, where we see far fewer lumpy payments, spikes and troughs.

Barry Gardiner: Does the Minister accept that, if we are really to reduce fuel poverty, we need to place the first units on the cheapest tariff, so that those who use least energy pay least for it, instead of, as happens now, their paying most for the first bundle and paying less the more they consume? They should pay least for the smallest amount and, as they increase their consumption, pay more per unit.

Gregory Barker: I am of course familiar with that argument of rising block tariffs, but that too has unintended consequences, which often hit pensioners in particular. However, I think I would be ruled out of order if I lurched into a discussion of tariffs, which are not necessarily the subject of the amendments before us.

We are left with collection via electricity bills as the only practical solution. The Government accept that that requires measures to strengthen the cognitive link between the green deal charge and energy savings, which in many cases will be realised on the gas bill. That is why the Government plan two requirements to increase the link between the two. First, for the 14.8 million households that receive their gas and electricity from the same supplier, the Government plan to introduce a requirement on energy suppliers to provide a combined energy bill, with the charges for gas and electricity supply and the green deal charge clearly identified on the front page. Secondly, the Government will introduce a requirement for electricity suppliers to reproduce the estimated savings from the green deal assessment on the green deal customer's annual energy statement.

On the issue of disconnection, it is important that the green deal charge is treated in the same way as normal energy bill payments, so that defaults are kept to an absolute minimum and low-cost finance can be offered. I do not expect the green deal to increase disconnection, given the protection of the golden rule principle.

2.45 pm

Luciana Berger *rose—*

Gregory Barker: I shall give way to the hon. Lady, but then I really do need to make some progress so that we can get on to other parts of the Bill.

Luciana Berger: I am grateful to the Minister for stating the developments for those customers who have the same energy provider for their electricity and gas supply. He says there are 14.8 million of them, but my question, which came up in Committee, is about those customers who have different providers for electricity and for gas. What will happen to them? How will they be able to measure the savings across their two bills? My conversations with many energy providers tell me that their systems do not currently speak to each other, and that to make them to do so would cost a great deal.

Gregory Barker: There will be access to the energy annual statement, which will make that crystal clear.

Energy suppliers are already prohibited from disconnecting households in the winter months when they know or have reason to believe that the customer is a pensioner or lives with pensioners or with those under 18 years old. We plan to extend those protections to the non-payment of green deal charges.

We have had a very good debate. I have commented on the green investment bank to make clear the Government's views on what appropriate interventions for the green investment bank would be. Although we understand the intention behind new clause 8, we will not support it. I hope that the hon. Member for Brighton, Pavilion is reassured by my explanation and will not press her amendments 26, 27, 49 and 50 or new clause 8; and that the hon. Member for Manchester, Withington and my hon. Friend the Member for Brigg and Goole are similarly reassured on amendment 28. I hope also that the hon. Member for Manchester, Withington found my explanation regarding amendment 45 equally compelling and will not press that, either. I urge the House to support Government amendments 29 to 34 and 36 and new clause 10.

Question put and agreed to.

New clause 10 accordingly read a Second time, and added to the Bill.

New Clause 11

AGREEMENT ABOUT MODIFYING DECOMMISSIONING PROGRAMME

'(1) Section 46 of the Energy Act 2008 (approval of a decommissioning programme) is amended as follows.

(2) After subsection (3) insert—

"(3A) When approving a programme the Secretary of State may agree to exercise, or not to exercise, the section 48 power—

(a) in a particular manner;

(b) within a particular period.

(3B) An agreement under subsection (3A) may subsequently be amended by the Secretary of State and the other party to the agreement.

(3C) The Secretary of State may not make such an agreement or amend such an agreement unless satisfied that the agreement (or the agreement as amended) includes adequate provision for the modification of the programme in the event that the provision made by it for the technical matters (including the financing of the designated technical matters) ceases to be prudent.

(3D) Provision in such an agreement (including the provision mentioned in subsection (3C)) may include provision—

(a) for a determination by a third party in relation to a relevant matter specified in the agreement, and

(b) for the Secretary of State to be bound by such a determination.

(3E) A "relevant matter" is a matter relating to the provision made by the programme for the technical matters.

(3F) Subsections (3A) to (3D) apply notwithstanding that the agreement or amendment fetters the Secretary of State's discretion.

(3G) In subsection (3A) "section 48 power" means the power of the Secretary of State under section 48 to propose a modification of the programme or a modification of the conditions to which the approval of the programme is subject."

(3) In subsection (4) for "(3)" substitute "(3B)".'.—*(Charles Hendry.)*

Brought up, and read the First time.

The Minister of State, Department of Energy and Climate Change (Charles Hendry): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss the following:

Amendment (a) to new clause11, line 5 leave out ', or not to exercise,'.

Amendment (b) to new clause 11, line 9 leave out 'and the other party to the agreement'.

Amendment (c) to new clause 11, line 15 leave out 'prudent.' and insert 'adequate to protect the interests of the public and taxpayers.'.

Government new clause 12—*Adjustment of electricity transmission charges.* Government new clause 13—*Consultation.*

New clause 17—*Proposal for modification of approved programme*—

'(1) Section 48 of the Energy Act 2008 (approval of decommissioning programme) is amended as follows.

(2) In paragraph (2)(c) leave out "(provided that the site operator consents to the proposed modification)".

(3) In subsection (3) leave out ", in particular," and insert "only".

(4) In paragraph (3)(a) leave out second ", or" and insert ".".

(5) Leave out paragraph (3)(b).'.

Government amendments 35, 37, 38 and 39.

Amendment 51, page 93, line 33, in clause 115, leave out paragraph (a).

Government amendments 40 to 44.

Charles Hendry: We now move on to a series of technical and miscellaneous new clauses and amendments, which cover nuclear decommissioning transmission charging, the process of consultation and the Home Energy Conservation Act 1995 and how it applies in Scotland.

I shall first address the issue of the nuclear decommissioning programmes. In Committee, hon. Members raised concerns about how any agreement that sets out the manner in which the Secretary of State will, or will not, exercise his power to propose a modification to an approved programme will deal with "unforeseen circumstances" in the future. I have listened very carefully to hon. Members' concerns, we have had very useful meetings and I am very grateful for the constructive way in which they have engaged to ensure that we have a new clause that is acceptable to both sides.

I recognise that the funded decommissioning programme and any agreement entered into under the new clause are very long-term arrangements, and that the arrangements will need to take account of "unforeseen circumstances" that may arise in the future.

In the light of the Committee's concerns, we wish with new clause 11 to amend the relevant measure in order to require that the Secretary of State enter into an agreement only when he is satisfied that it includes adequate provision for the modification of a programme if the programme no longer secures prudent provision for the liabilities.

Let us be clear: we would not impose an additional test to the existing requirement that the Secretary of State must be satisfied that the programme and the agreement as a whole secure prudent provision for the liabilities. The new clause would make it explicit that, as part of ensuring prudent provision, the Secretary of State needed to be satisfied with the arrangements for making modifications to the programme when he entered into the agreement.

Caroline Lucas: Will the Minister be a little more precise about the exact definition of the word "prudent" in this context?

Charles Hendry: We have chosen to use the word "prudent" not only because it is a concept that is established in law but because it was important to give the Secretary of State the ability to decide, in future, whether something has ceased to be prudent. We looked at some of the wording that had been discussed in Committee relating to unforeseen circumstances and moved away from that because we were concerned that the legal debate would then be about whether something was foreseen or unforeseen. If people could point to one speech by a Minister who had talked about such issues, then nobody could say that they were unforeseen because they had been discussed in this House. I will clarify that further in a few moments.

It is clear that over the years foreseen and, potentially, unforeseen events will occur that may require modification of the arrangements set out in the programme. The new clause is not limited to unforeseen circumstances, but when the Secretary of State enters the agreement he will need to be satisfied with the arrangements for modifying the programme when it is no longer prudent, be that in unforeseen circumstances or those which were foreseen. The new clause also allows the agreement to set out matters that may be determined by a third party, and for the Secretary of State, if he so agrees, to be bound by that determination. This provides reassurance to operators that there can be a mutually agreed and mutually binding process between the Secretary of State and the operator where disputes can be resolved in an impartial manner. Such a third party would need to be impartial and independent of the operator and the Secretary of State. In addition, both parties would need to be satisfied that the third party in question had the expertise to perform the role required of them. The exact terms of the agreement, including any process for third-party determination, and the method for appointing

[Charles Hendry]

a third party will be decided on a case-by-case basis with the operator and after taking into account the programme submitted by that operator.

I turn now to amendments (a), (b) and (c) to new clause 11, which are in the name of the hon. Member for Brighton, Pavilion (Caroline Lucas). Under amendment (a), the Secretary of State would not be able to set out in the agreement when he would not use his section 48 power. This would leave him with broad scope to use his section 48 powers and so render the agreement ineffective from the perspective of providing investor confidence, which is the whole purpose. Amendment (b) would have the same effect. Amendment (c), which would omit the word "prudent" and insert

"adequate to protect the interests of the public and taxpayers",

would not provide further protection for the taxpayer. Arguably, it would reduce protection by introducing a looser term that could be subject to conflicting interpretations and be inconsistent with the rest of the Act, for which the test is prudence.

New clause 17 would amend subsection (2)(c) of section 48 of the Energy Act 2008. That would have the effect of allowing others with obligations under the programme to propose modifications to a site operator's programme without first seeking their consent. It is clearly unreasonable, we believe, to expect an operator to agree to this. In any case, the Secretary of State would need to seek the views of the site operator and take those views on board before deciding whether to approve the modification.

There is also a legal issue involved in the new clause. The effect of modifying subsection (3) of section 48 in this way would probably be exactly the opposite of what the hon. Member for Brighton, Pavilion intends. Under the Act, if it were amended as proposed, the Secretary of State would be able to impose obligations only on an associate of the operator and not the operator itself. Modifying subsection (3)(a) and removing subsection (3)(b) altogether would mean that obligations placed on an associate of the operator could not be removed even if, for example, those obligations were no longer relevant because they had been fulfilled. This is clearly inappropriate and impracticable. On that basis, I hope that the hon. Lady feels sufficiently reassured to withdraw the amendments.

I will now speak to Government new clauses 12, 41 and 44, which relate to transmission of renewable electricity and the role that renewable generators in peripheral parts of Great Britain could play in meeting low carbon energy targets. Section 185 of the Energy Act 2004 allows the Secretary of State to introduce a scheme adjusting transmission charges in a particular area of the country to help to mitigate any material hindrance to renewables development caused by these charges. Section 185 was introduced to address concerns that a GB-wide charging regime for the electricity transmission network might hinder the development of renewable generation in a particular area of the United Kingdom—for example, in the north of Scotland and the Scottish islands. Under the regime, transmission charges are cost-reflective. In effect, the further electricity has to travel, the higher the transmission charges.

Any scheme introduced under section 185 can be applied for up to 10 years—an initial period of no more than five years with renewal for up to five further years. Currently, any scheme must terminate by October 2024. The new clauses merely extend that time limit until 4 October 2034. This power has never been exercised, and it is possible that a review of the transmission charging regime currently being carried out by Ofgem under Project TransmiT will address any perceived problems in other ways. However, it is not certain that Ofgem's review will address all such perceived problems in every case—for example, renewable generation on the Scottish islands, where forecast transmission charges are significantly higher than elsewhere in Great Britain. The lead times of proposed developments also mean that no renewable generators on the Scottish islands will be connected to the transmission network by October 2014, and so they would not be in a position to benefit from the full possible extent of any section 185 scheme. It therefore makes sense now to extend the sunset clause by 10 years to October 2034. This will allow maximum flexibility to take account of the outcome of Ofgem's review and give developers time to bring forward renewable generation and associated transmission links without concerns of exceeding the current 2024 deadline.

Government amendments 43 and 51 relate to the Home Energy Conservation Act 1995. As hon. Members know, having listened to concerns raised during the passage of the Bill, the Government were convinced of the desirability of retaining HECA in England, and this was agreed in Committee on 21 June. Schedule 3 makes a number of amendments that were necessary when HECA was being repealed. However, with HECA being retained, the consequential amendments listed in schedule 3 are no longer necessary. Government amendment 43 is therefore a purely technical amendment that I hope raises no issues of concern for hon. Members.

Regarding amendment 51, I would like to reassure the hon. Members for Kilmarnock and Loudoun (Cathy Jamieson) and for Rutherglen and Hamilton West (Tom Greatrex) that we have fully consulted colleagues in the Scottish Government during the development and passage of the Bill. The intention to repeal HECA in Scotland was at the request of Scottish Ministers, who indicated that they believe that the Climate Change (Scotland) Act 2009, together with the local housing strategy guidance, will be sufficient to ensure appropriate promotion of energy efficiency and the opportunities that the green deal will bring to this. On that basis, I hope that the hon. Members can withdraw their amendment.

Mr Mike Weir (Angus) (SNP): Will the Minister confirm that the repeal was part of the legislative competence motion passed by the Scottish Parliament?

Charles Hendry: The hon. Gentleman is absolutely right. This is a devolved matter that we have discussed with the Scottish Government. We are implementing this measure as the easiest and quickest way of delivering on that.

Finally, I refer to a small set of Government amendments regarding consultation—Government new clause 13 and consequential Government amendments 35, 37, 38 and 39. The purpose of the new clause is to ensure that consultation with key stakeholders carried out before, as well as after, Royal Assent can contribute towards

fulfilling the various statutory consultation duties that arise under, or by virtue of, the Bill. Consulting stakeholders is an important part of developing and implementing any policy. Throughout the Bill, there are several provisions that impose a statutory requirement to consult before exercising powers to make secondary legislation. These include, for example, consultation with devolved Administrations or energy companies. In many cases, the consultation requirement can be satisfied by a consultation that takes place before, as well as after, the passing of the Bill. The new clause seeks to ensure parity of approach throughout the Bill.

I hope that I have assured hon. Members that the Government have listened during the passage of the Bill, and I urge them to support our amendments. Similarly, I hope that I have reassured them sufficiently that they feel able to withdraw their amendments.

Caroline Lucas: I am seeking to amend new clause 11, which was based on a clause that was withdrawn by the Government in Committee because of cross-party concerns. I have not been fully reassured by what the Minister has said about the new clause, which has not met all those concerns. My amendments therefore seek to ensure that the Secretary of State cannot decide not to exercise his powers to modify a nuclear decommissioning programme; that a nuclear decommissioning programme can be modified only by the Secretary of State on his own, not working with an operator; and that we clarify what is meant by the word "prudent". The Minister has helpfully expanded on that term so I feel a little reassured, although I still think that it is a little open.

3 pm

In new clause 17, I am seeking to amend section 48 of the Energy Act 2008 to ensure that a third party to a nuclear decommissioning programme can propose a modification of it without the consent of the site operator. I make it very clear that it is still the Secretary of State alone who can modify it. I am not suggesting that the associate to the operator can do so. I suggest that they should be able to propose a modification, but that it remains the responsibility of the Secretary of State to decide whether to go ahead with that. I am also clear that changes should not include a reduction of the requirements.

We are not debating the pros and cons of nuclear power per se. The Minister knows very well that I am not a great fan of nuclear power. The debate is about whether the Government should be subsidising, more or less with a blank cheque, a nuclear renaissance in the UK, either directly or indirectly. Ministers know very well that the UK faces a £4 billion black hole in unavoidable nuclear decommissioning and waste costs, which the Secretary of State revealed soon after coming to office last year. At that time, he said the crisis was such that

"my department is not so much the department of energy and climate change, as the department of nuclear legacy and bits of other things".

It was well reported at the time that there would be additional costs from rising expenditure on nuclear decommissioning and falling income due to the closure of ageing power plants. The Secretary of State went on to insist:

"I do not think it is possible for anyone responsibly to stand aside and say we are not going to deal with it. We just have to, but what we are effectively paying for here is decades of cheap nuclear electricity for which we have suddenly got a massive postdated bill."

I could not have put it better myself. What clearer evidence of the long-term subsidy of nuclear power could there be?

It is not clear to me how Government new clause 11 will seriously address this problem. By limiting the Secretary of State's power to place greater responsibility on a nuclear operator to meet the costs of decommissioning its plants, the new clause could even make the situation worse. It is because of the unpredictable nature of nuclear clean-ups and decommissioning that the Secretary of State must retain the option of adding to the liabilities of companies such as EDF, which boldly lobbied Committee members in support of the original clause 102.

Of course, the cost of an accident could be even higher than the cost of planned decommissioning. The *Financial Times* reported in April that Toshiba and GE Hitachi have both submitted proposals to clean up and decommission the Fukushima site on the basis that the process is likely to cost billions of dollars. The German Government's estimate for a severe accident such as the one at Fukushima is €1 trillion. These are unimaginable figures. As a result, there are serious ongoing discussions about the need to raise the EU and UK's nuclear accident liabilities ceiling from €143 million to €1 billion. As one can see, that still falls well short of the total cost.

I believe that limiting the Government's power to introduce greater demands on nuclear power companies to cover higher decommissioning requirements could place greater financial burdens on taxpayers and amount to a back-door subsidy for nuclear. The Minister may say that such agreements could still be added under new clause 11. Although that might be technically true, a nuclear operator agreeing to add to its own responsibility for contingency or cost would be a classic case of turkeys voting for Christmas—it would be very unlikely to happen.

I tabled my amendments because I want the Secretary of State to retain the power to modify a decommissioning agreement on his or her own, without requiring the agreement of a plant operator. I also want to ensure that a decommissioning agreement can be modified only to ensure that obligations are added, not removed.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): I will make a few remarks about amendment 51.

This will perhaps be a rare moment of solidarity with Ministers, as I welcome the position that they have taken on the Home Energy Conservation Act 1995 as it applies to England. The Minister has moved on this issue since the publication of the Bill to retain the statutory provision requiring local authorities to report on their activity with regard to climate change in England. The Minister gave a strong statement on that. I will focus on the importance of the statutory provision.

The situation in Scotland will, of course, be somewhat different if HECA is repealed. I am well aware of the legislative consent motion that was passed in the Scottish Parliament in December 2010. I have no wish to suggest that the Scottish Parliament should not have responsibility for those matters, which are devolved.

[Cathy Jamieson]

In the Public Bill Committee in June 2011, the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker) made the following statement, which has been reinforced today:

"After we consulted the Scottish and Welsh Administrations, they asked that we continue with the repeal of HECA on their behalf, so it will not apply in Scotland and Wales. The devolved Administrations will, however, continue to work with their local authorities to progress the national energy saving initiatives that they already have in place."—[*Official Report, Energy Public Bill Committee,* 21 June 2011; c. 366-367.]

I raise this issue today because some of the energy conservation agencies and environmental lobby groups in Scotland are concerned that what has been put in place in Scotland does not meet the test that statutory guidance would have brought, because the new approach uses voluntary arrangements. While I again put it on the record that the Minister chose to continue the respect agenda for the devolved Administrations, I have some concerns that the Scottish Government and the Scottish Parliament have not fully understood what they need to do to ensure that local authorities continue to act appropriately.

The supplementary guidance on addressing climate change through local housing strategies was last issued by the Scottish Government in March 2011. That guidance accepts that since 1995, the main legislative instrument for addressing energy efficiency has been HECA, which placed a duty on local authorities to set out and report on energy conservation measures in residential accommodation in their areas.

Under HECA, councils have taken a wide range of initiatives to improve the energy efficiency of housing stock in their areas. For example, Glasgow city council developed a comprehensive strategy that included funding programmes, technical assessment tools and staff training programmes. As a result, the council reported that over the 10-year period since HECA was introduced, it achieved reductions of 10.4% in the total energy consumption of housing in its area and a 32% reduction in CO_2 emissions.

The guidance from the Scottish Government states:

"While the progress made by local authorities in reducing emissions under HECA is recognised, in line with a commitment to reduce local authority reporting requirements the Scottish Government and COSLA have agreed that councils should no longer be required to report under the Act, and that instead they will address energy efficiency planning/greenhouse gas emission reduction within their Local Housing Strategies, and where relevant, in Single Outcome Agreements."

Essentially, what has happened in Scotland is that there has been no statutory provision and that has been replaced by the use of single outcome agreements. For right hon. and hon. Members who are not aware, those are non-binding agreements that the Scottish Government sign up to with each of the 32 local authorities, if indeed one can sign up to a non-binding agreement. Instead of local authorities being required to report, there is now voluntary guidance and a take-it-or-leave-it approach. One can see why some agencies are concerned.

Some of the areas that the Scottish Government, with all due respect to them, thought would be included in the local authorities' single outcome agreements, perhaps because there was passing mention of them, such as class sizes, teacher numbers and the sale of playing fields, have proved simply to have been warm words, rather than things that were achieved.

Recently, the Scottish Government raised the issue of the future of HECA in their consultation on the energy efficiency action plan. There were a fairly small number of responses—only 28 in total. The majority of those understood that it was time to change HECA and wanted to replace it with a duty on local authorities to report on energy efficiency.

That brings us to amendment 51, which would keep the statutory provision for which HECA provides. I listened carefully to the Minister and I am sure that other Members from Scottish constituencies will have their own views on this. Perhaps it is time to update or replace HECA, as some people argue. I do have concerns about what has happened in Scotland. However, I have no wish to divide the House on this matter as I do not think that that would be helpful at this time. None the less, it is important to put the matter on the record.

Ongoing monitoring of strategies that will improve energy efficiency, reduce emissions and increase resilience to the consequences of climate change in the housing sector should be a priority in Scotland. I therefore hope that my former colleagues in the Scottish Parliament, and indeed the Scottish Government, who I am sure will be avid watchers of this debate, recognise that although they have gone a considerable way in the Climate Change (Scotland) Act 2009 and the voluntary guidance, they should none the less consider the issue again. The Scottish Government should recognise that the UK Government have listened to their request to remove HECA, take their responsibilities seriously, and look at reintroducing statutory provision in Scotland.

Huw Irranca-Davies (Ogmore) (Lab): I love it when we get to technical and miscellaneous amendments. They sound innocuous, but, as the Minister knows, there is a great deal of meat within the details—it is the sort of stuff that we love to agonise over. As we heard from both the hon. Member for Brighton, Pavilion (Caroline Lucas) and my hon. Friend the Member for Kilmarnock and Loudoun (Cathy Jamieson), there are substantive issues within these proposals.

I shall turn my attention purely to one proposal—we support the Government's proposals—because I want to pay the Minister and his team some compliments. In respect of Government new clause 11, there was a great deal of debate in Committee on the necessary balance to be struck between certainty for the investor community, and—this is paramount—protection for the taxpayer against the foreseen and unforeseen costs of decommissioning. After a great deal of debate and encouragement from the Committee, the Minister, quite worthily, agreed to remove his measure from the Bill and went away to discuss the options that he could bring back to the House.

I thank the Minister for the way in which he has engaged with Committee members and others, including my hon. Friend the Member for Southampton, Test (Dr Whitehead)—I must single him out. Some of his ideas, including on third-party engagement, have contributed significantly to the ideas behind, if not the drafting of, new clause 11.

The new clause is not perfect, and it never will be, but it makes a very good fist of striking the right balance between looking after the needs of different stakeholders, and—I say this categorically—ensuring that we protect taxpayers. I look forward to the Minister's response to the remarks of the hon. Member for Brighton, Pavilion, because she made some interesting points. I think the Minister has explained very well the use of the word "prudent", but I am sure that he will address that and other issues that have been raised.

I thank the Minister, because this is how a Bill should evolve—through constructive engagement. Ministers should take measures away, think about them and listen to all the ideas on the table. He has come back with something that might not be perfect, but it is a massive improvement, on which he and his team are to be congratulated.

Mr Weir: I agree with my hon. Friend the Member for Brighton, Pavilion (Caroline Lucas) on nuclear power, which probably does not come as a great surprise to the Minister. I have nothing to add to what she said, because she made her case very well indeed.

I am glad to be able to support Government new clause 12, on transmission charges. It is a very sensible change. I await with interest the outcome of Operation TransmiT. Will Ofgem finally see sense and deal with transmission charges? I am not overburdened with confidence that it will do so, but one lives in hope.

I want to address the points that the hon. Member for Kilmarnock and Loudoun (Cathy Jamieson) made about the Home Energy Conservation Act 1995. I received a briefing on that from Friends of the Earth, the World Wide Fund for Nature, and the Association for the Conservation of Energy. I would normally be favourable towards those organisations, but I was not impressed by their briefing, which does not give a reason, other than an emotional one, on why HECA should not be repealed.

Very fairly, the hon. Lady said only that some organisations opposed the repeal of HECA, because some do not. Energy Action Scotland, for example, is much less convinced of HECA's worth. That is the crux of the matter. She and I probably want to get to the same place, and my argument should be seen not as a political one, but one about the methods of getting there.

As I understand it, the Scottish Government want the repeal of HECA simply because they feel that it did not deliver. HECA places a duty on local authorities to set targets, but nothing over and above that. Out of the 32 local authorities in Scotland, only nine have set targets in the 16 years that HECA has been in operation. Despite the fact that the briefing I received describes HECA as the "main driver" for local authority action on energy saving over the past 15 years, the fact that so few local authorities set targets suggests that it was not particularly effective.

3.15 pm

Cathy Jamieson: One concern is that even if statutory provision did not act as a driver, a purely voluntary code of guidance would lead to local authorities putting energy saving even further down their list of priorities. Does the hon. Gentleman agree that it is important that the Scottish Government consider how to ensure that targets are set and delivered?

Mr Weir: I agree that it is important that targets are set and delivered, but I do not agree that energy saving would necessarily be a lower priority under the guidance system, and I shall explain something about that. As the hon. Lady will know, the Scottish Parliament has often taken a different road from the UK Parliament—the central heating scheme is a classic illustration. Both the previous Administration in Scotland and the current Scottish National party Administration have taken different routes from the UK Government to deal with those matters.

The Scottish Government have decided that they will focus their efforts on each local authority's housing strategy. As the hon. Lady rightly says, guidance has been issued. They are seeking to make it clear that that strategy and guidance are the driving force behind determining levels of investment in each local authority area—I believe that a significant piece of work was done in the highlands and islands on that basis.

The Scottish Government have also introduced Scottish housing quality standards, which every local authority and housing association must achieve by 2015, and for which an additional £1.5 billion will be spent over the next three years. In a recent case in my constituency, there was a difficulty with lack of insulation, and I took that up with the housing association. It is clear that it is very much aware of the need to react to the 2015 standard. I hope that that problem is resolved before the onset of winter, although time is running out.

The standard has already been achieved in 40% of housing in Scotland. There is still a long way to go, but that is a significant achievement. The standard assessment procedure rating achieved is 7, so clearly the standard is delivering what is necessary in those houses—it is much more effective than HECA in doing so.

In addition, the Scottish Parliament has passed the Climate Change (Scotland) Act 2009, which is acknowledged as world-leading legislation. The Act will drive much of what is done in Scotland. The £33 million energy assistance package has helped 150,000 people on low incomes to reduce their bills since 2009. One in six Scottish homes—a total of 145,000—have been visited for a home energy check, and there have been almost 18,000 installations. The EAP has been extended to help the most vulnerable. In addition to helping pensioners, the scheme has been extended to include disabled families with children under five, disabled children under 16, those with severe disabilities, and those who are terminally ill. The £50 million warm homes fund will also be introduced to help.

In addition to the EAP, the Scottish Government are providing £12.5 million in 2011-12 to support local councils to deliver area-based insulation to save households money, reduce emissions and tackle fuel poverty. It is hoped that councils will target areas across the country that are most in need of free insulation and other energy efficiency measures. The Scottish Government are working with local authorities to help to target the areas that are most in need, which is very much welcomed by Energy Action Scotland.

I am pleased to hear that the hon. Member for Kilmarnock and Loudoun will not press amendment 51 to a Division, but I ask hon. Members to realise that Scotland is doing things differently. In many ways, HECA has been overtaken by events in Scotland, which

[Mr Weir]

is why the Scottish Government want it repealed. They want repeal not because of a desire to avoid the implications of HECA, but because they have moved in another direction. Interestingly, the Scottish Government and the Labour Government in Wales have taken a similar view. We might be going in different directions, but I hope that we are all going towards the same goal of making our homes warmer and eradicating fuel poverty among our populations.

Dr Whitehead: I want to comment briefly on new clause 11 and, in doing so, echo the remarks of my hon. Friend the Member for Ogmore (Huw Irranca-Davies). With hindsight, it has been recognised that the clause concerned, which was originally pretty flawed, has been substantially strengthened and clarified as a result of its withdrawal, the discussions that followed and its emergence on Report as new clause 11. In Committee, widespread concern was expressed about that flawed clause on the grounds that it sought to replace an arrangement under the Energy Act 2008 that enabled the Secretary of State unilaterally to invoke sections 48 and 49 of the Act for the modification of a decommissioning programme regardless of any agreement made previously.

The original clause would have replaced that provision with an arrangement that appeared to enable the Secretary of State to waive the ability to make programme modifications, if circumstances changed, by making an agreement when the licensing agreement was first adopted binding him or herself in perpetuity regardless of the objective circumstances in place after the original agreement. That was clearly not satisfactory. I accept that, for logical reasons, it is difficult to place the words "unforeseen circumstances" in legislation—clearly we do not know what those would be—but I think that the question of when a programme ceases to become prudent could be better addressed.

I would be grateful if the Minister clarified a couple of issues relating to the wording of the new clause that might be referred to should a modification action be undertaken by people seeking to understand what the clause really means. I appreciate that, as I have mentioned previously, the background to the new clause is similar to the Marx brothers' form-guide sketch in "A Day at the Races" in which they have to refer to a large number of separate documents to understand where they were in the first place. Nevertheless, I would be grateful if he confirmed that the Secretary of State may act, by him or herself, to point out that a decommissioning programme subject to the new clause had ceased to be prudent and say, "It appears to me that this programme has become imprudent and therefore needs modification."

What those modifications might consist of would be a matter for negotiation and discussion with the site licensee. If points in the modification programme could not be agreed, a third party could come in, under proposed new subsection (3D), to determine how those points might best be resolved. When the third party—as the Minister emphasised, it would be an independent party—has resolved those previously unresolved issues, the Secretary of State would, under the proposed new subsection, be

"bound by such a determination".

It is clear, however, that under administrative law the Secretary of State would not be able to undertake an agreement unless he was satisfied that there was adequate provision for the modification of the programme, including the understanding that the site licensee would also be bound by what the third party had determined.

It would not be logical or reasonable for the Secretary of State to undertake a programme that would enable the licensee to escape being bound by the consequences of a determination of modification and therefore simply not undertake any action relating to those modifications, even after they had been agreed. That is my understanding of the new clause. I would be grateful if the Minister confirmed that and placed it on the record that the process would lead to an agreed modification programme that could be instituted by the Secretary of State, but mediated by a third party, after a programme had been judged to be no longer prudent on a different programme of decommissioning.

Charles Hendry: I am grateful to hon. Members for participating in the debate. I was surprised by how many of them paid tribute to the Government for listening so hard and making changes—I almost started to wonder whether we had done too much of it. Nevertheless, we remain firmly of the view that the Bill is better as a result of the changes made. I give particular credit to the hon. Member for Southampton, Test (Dr Whitehead) for his work with the hon. Member for Ogmore (Huw Irranca-Davies), and I thank them both for their constructive engagement in getting us to where we are, which, as I said, is better than where we started. It is perhaps an early birthday present for the hon. Member for Southampton, Test—I believe that his birthday is tomorrow—and the House can celebrate by recognising his contribution.

I am grateful to the hon. Member for Kilmarnock and Loudoun (Cathy Jamieson) for her comments about the changes that we have made to HECA. Listening to the discussions on the Opposition Benches about how best to address these matters in Scotland, I felt like we were intruding on family grief. However, I have no intention of doing that because they are matters that will properly be resolved by the Scottish Government. Nevertheless, we have to accept that the legislative consent motion is essentially an on/off switch. One either has to have HECA or get rid of it; one cannot have a little bit of HECA or have a different element within it. My understanding from our discussions is that the Scottish Government want to address these issues differently, using different mechanisms. We absolutely respect their right to make those decisions, and the changes in the Bill will simply make that possible.

The bulk of this debate inevitably focused on the nuclear clauses. The hon. Members for Brighton, Pavilion (Caroline Lucas), for Angus (Mr Weir) and I will never agree on the principles of nuclear, but we all want to make sure that if nuclear power stations are built in the United Kingdom, that should be genuinely without subsidy and we should have extremely strict controls on decommissioning, safety and a range of other issues.

3.30 pm

There is also a fundamental disagreement between us. We recognise that if investors are to have confidence in the decommissioning programmes, they must feel certain that those programmes cannot be changed at will or on a whim by the Secretary of State at some subsequent date. That was the flaw in the earlier legislation, which we are trying to address. It gave a power at any time for the then Secretary of State to say, "We're going to change these rules," and there would have been no right for a company which thought it had a commitment and an agreed programme to resist that. What we sought to do, and what I hope we have achieved, is to agree the right balance between the powers of the Secretary of State and the guarantees and undertakings necessary for the companies involved.

Caroline Lucas: If the liabilities are fixed so that uncertain messages are not being given to the investors, but the costs rise in an unforeseen manner, how is that not a subsidy if the person who is going to meet the difference between the liabilities and the real cost is not the taxpayer?

Charles Hendry: The hon. Lady raises an entirely separate issue. A funded decommissioning programme is constantly reviewed. If there is evidence that not enough money has been put aside for decommissioning issues, that money will have to be increased. The operators entirely accept that if the costs rise, they will have to contribute more towards the decommissioning pot. The new clause is about whether the Secretary of State should be able to say, "You know, I've decided that rather than you putting that money into a pot over 20 years, I'd like it in 12 months." That would be a fundamental change which, under the existing legislation, the companies would not have been able to challenge. There will be no change in the measures ensuring that enough money is put into the decommissioning pot. If that goes up or down, the amount put in will have to reflect that. That is not touched in any way by the changes that we are making through the Bill.

On the hon. Lady's new clause 17, at present anybody can write to me as a Minister and say, "We don't think this is adequate," and we will consider that. That, as she says, would not be a legal power, but an advisory power. It would still be for the Secretary of State to decide whether to take it forward. The Secretary of State has a number of choices. He can choose to modify, to modify in part or to take no action, so considerable power rests with him.

That comes to the heart of the questions that we were asked by the hon. Member for Southampton, Test. There is something vaguely Rumsfeldian about the concept of unforeseen. What are foreseen unforeseen circumstances and what are unforeseen unforeseen circumstances? I think we have been wise to move away from that. A prudence test is a better one, which both Government and industry are more comfortable with. The Secretary of State will have the power to make those decisions, but we will also make clear in those programmes the role of the third parties.

We have had a considerable amount of discussion with the hon. Gentleman about the nature of those third parties. It would clearly have to be somebody who was acceptable both to the Government and to the operators and who was not prejudiced towards one side or the other. That is a role that the Government are used to developing. The Secretary of State would have significant powers but there would also be a role for third parties. Critically, the Government and the operator would be bound by the decision of the third party. This gives the extra degree of certainty and comfort that the hon. Gentleman sought. I hope we have been able to reassure him.

We have had a useful exchange. I thank the official Opposition for the constructive way in which they have engaged with the issue, so that the nuclear aspects of the Bill are stronger and more effective than they were before.

Question put and agreed to.

New clause 11 accordingly read a Second time, and added to the Bill.

New Clause 12

ADJUSTMENT OF ELECTRICITY TRANSMISSION CHARGES

'In section 185(11) of the Energy Act 2004 (areas suitable for renewable electricity generation: end date for schemes adjusting transmission charges) for "2024" substitute "2034".'.—*(Charles Hendry.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 13

CONSULTATION

'A requirement for the Secretary of State to consult which arises under or by virtue of this Act may be satisfied by consultation before, as well as consultation after, the passing of this Act.'.—*(Charles Hendry.)*

Brought up, read the First and Second time, and added to the Bill.

New Clause 1

ENERGY EFFICIENCY AIM

'(1) The principal purpose of this Part is to deliver energy savings from the building stock which will make commensurate contributions to—

(a) the fulfilment by the Secretary of State of the duties under section 1(1) (reduction of net UK carbon account by 2050) and section 4(1)(b)(carbon budgets) of the Climate Change Act 2008; and

(b) the elimination of fuel poverty by the target date required by section 2(2)(d) of the Warm Homes and Energy Conservation Act 2000.

(2) In performing functions under this Part the Secretary of State will have regard to—

(a) the principal purpose set out in subsection (1) above, and

(b) the recommendations from time to time of the Committee on Climate Change where these are adopted by the Secretary of State.'.—*(Luciana Berger.)*

Brought up, and read the First time.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

New clause 2—*Duty of the Secretary of State to improve energy efficiency*—

'(1) The Secretary of State must prepare and publish a plan for achieving the principal purpose set out in section [Energy efficiency aim] in England.

(2) The plan must establish specific aims and describe the proposed means of achieving them, together with methods of reporting on progress towards meeting them.

(3) Where an aim is designated under this section, the Secretary of State must take all reasonable steps to achieve the aim.

(4) The plan prepared under subsection (1) must be published no later the 12 months after the day on which this section comes into force.

(5) The Secretary of State must, as soon as reasonably practicable after publishing a plan under this section lay it before Parliament.

(6) The Secretary of State must, within one year of each order setting a carbon budget under section 8(1) of the Climate Change Act 2008, review the plan prepared and published under this section.

(7) Where, following a review under subsection (6), the Secretary of State varies the plan, he must, as soon as reasonably practicable after so doing, publish the plan as so varied.'.

New clause 3—*Carbon emissions in local authority areas*—

'(1) Within 12 months of this Bill receiving Royal Assent the Committee on Climate Change shall advise the Secretary of State about—

(a) the scale of action needed in local authority areas to help meet UK Climate Change Act carbon budgets;

(b) climate mitigation and adaptation policies that are effective when locally co-ordinated by councils.

(2) The advice given under subsection (1) should include but not be limited to—

(a) carbon emissions from a local authority's own buildings and operations;

(b) carbon emissions from the local area;

(c) local renewable energy generation;

(d) national carbon reduction initiatives delivered at the local level

(3) The Committee on Climate Change may advise the Secretary of State on local level adaption to climate change to ensure that individual local carbon budgets are both appropriate for the circumstances of different local areas that the totality of all local carbon budgets is consistent with the requirements of subsection (1)(a).

(4) The Secretary of State must lay before Parliament a response to the advice given by the Committee on Climate Change under subsection (1) or (2), within six months of receiving the advice.

(5) For the purposes of this section—

(a) "budgetary period", "carbon budget" and "national authorities" have the same meaning as in Part 1 of the Climate Change Act 2008;

(b) "local authority" means a county council or district council in England, or a London borough council, or the Council of Isles of Scilly.'.

New clause 4—*Climate change strategy for local authority areas*—

'(1) Local authorities must develop and promote a climate change strategy for their local area.

(2) In preparing the strategy, local authorities must take into account any advice given by the Committee on Climate Change on local action to meet carbon budgets.

(3) In preparing the strategy, local authorities must consult with local residents, businesses, social enterprises and co-operatives and other institutions.

(4) Local authorities must publish and promote their local climate change strategy, publish an annual report on progress towards carrying out the strategy and engage with local citizens and community groups.

(5) The Secretary of State must work with local authorities and the Local Government Association to assist them in producing and implementing their climate change strategies, taking into account any relevant advice from the Committee on Climate Change.'.

New clause 7—*Supplementing the Energy Company Obligation*—

'(1) The Secretary of State must, within six months of this Bill receiving Royal Assent, report to Parliament with proposals on the ways in which the Energy Company Obligation could be supplemented by—

(a) revenues from the European Emissions Trading Scheme;

(b) revenues from the Carbon Floor Price;

(c) an additional tax on the profits of gas transporters and suppliers, and electricity generators, distributors and suppliers; and

(d) such other funds as the Secretary of State considers appropriate.

(2) In considering the supplement to the Energy Company Obligation that may be made by the sources of funds listed in section (1) the Secretary of State must include an estimate of—

(a) the extent to which the additional sources of funds listed in subsection (1) could increase the contribution made by a carbon emissions reduction target and a home-heating target to meeting—

(i) the carbon budgets established under the Climate Change Act 2008; and

(ii) the fuel poverty target established under the Warm Homes and Energy Conservation Act 2000.

(b) the extent to which the additional sources of funds listed in subsection (1) could allow the Secretary of State to increase the level of a carbon emissions reduction target and a home-heating cost reduction target without increasing the cost of household gas or electricity bills.

(3) The proposals reported under subsection (1) of this Clause must include an assessment of the extent to which the Energy Company Obligation could make a greater contribution to—

(a) the carbon budgets established under the Climate Change Act 2008, and

(b) the fuel poverty target established under the Warm Homes and Energy Conservation Act 2000

if charges levied on consumers' bills under this obligation were levied on a per kilowatt hour basis.

(4) The assessment made under subsection (3) must take into account the effect on equity for those living in fuel poverty of levying charges on consumer bills under the Energy Company Obligation on a per kilowatt hour basis.'.

New clause 18—*Disclosure of information for the purpose of reducing fuel poverty*—

'(1) The Secretary of State may by regulations make provision authorising the Secretary of State, or a person providing services to the Secretary of State, to supply relevant persons with social security and tax credit information about persons in receipt of welfare benefits.

(2) In this section "relevant person" means—

(a) a person who holds a licence under section 6(1)(d) of the Electricity Act 1989 (c. 29) or section 7A(1) of the Gas Act 1986 (c. 44) (supply of electricity or gas to premises), or

(b) a person providing services to the Secretary of State or to a person within paragraph (a).

(3) Regulations under this section must specify the purposes for which information may be supplied by virtue of subsection (1), which must be purposes in connection with reducing fuel poverty or making homes more energy efficient.

(4) Regulations under this section may authorise the supply of information by a relevant person to the Secretary of State or another relevant person—

(a) for the purpose of determining what information is to be supplied by virtue of subsection (1), or

(b) to enable information supplied to a relevant person by virtue of subsection (1) to be used by that or another relevant person for purposes within subsection (3).

(5) Regulations under this section may—

(a) make provision as to the use or disclosure of information supplied under the regulations (including provision creating criminal offences);

(b) provide for the recovery by the Secretary of State of costs incurred in connection with the supply or use of information under the regulations.

(6) In this section—

(a) "social security information" means information held by or on behalf of the Secretary of State and obtained as a result of, or for the purpose of, the exercise of the Secretary of State's functions in relation to social security;

(b) "tax credit information" means information held by or on behalf of the Secretary of State and obtained as a result of, or for the purpose of, the exercise of the Secretary of State's functions in relation to tax credits;

(c) "welfare benefit" means any prescribed benefit, allowance, payment or credit.'.

New clause 19—*Additional information provided by energy suppliers*—

'The Secretary of State shall make provision for energy suppliers to—

(a) ensure a generic signpost message is displayed prominently on all customer bills from 1 December 2011, detailing how customers may be able to reduce their energy bills,

(b) ensure a letter reaches all of their customers by 1 December 2011, clearly detailing the extent to which customers overpay or underpay compared to that supplier's cheapest standard direct debit tariff,

(c) implement, by 1 December 2012, the findings of research undertaken on the efficacy of—

(i) a generic signpost message, to be displayed prominently on customers' bills;

(ii) a more detailed message, quoting pounds saved depending on payment method and tariff, as influenced by the customer's actual usage over a 12-month period where appropriate;

in encouraging customers to switch to that supplier's cheapest standard tariff available.'.

Amendment 2, in clause 42, page 27, line 37, after 'landlord', insert ', or his appointed agent,'.

Amendment 3, page 28, line 4, after 'may not let', insert

', let on behalf of the landlord as his appointed agent or market to let'.

Amendment 4, page 28, line 7, at end insert

'such that the property shall not fall below the level of energy efficiency specified in subsection (1)(c).'.

Amendment 5, page 28, line 13, after '"let the property"', insert 'and "market to let"'.

Amendment 19, page 28, line 31, at end insert—

'(5A) The first domestic energy efficiency regulations shall be made no later than 30 September 2012.'.

Amendment 47, page 28, line 33, leave out 'April 2018' and insert 'January 2016'.

Amendment 6, page 28, line 33, leave out '2018' and insert '2016'.

Amendment 48, in clause 45, page 30, line 36, leave out 'April 2016' and insert 'January 2013'.

Amendment 7, page 30, line 36, leave out '2016' and insert '2013'.

Amendment 8, in clause 46, page 31, line 4, at end insert—

'(e) any protections to be afforded to a tenant making a request under the regulations, including, if the Secretary of State considers it appropriate, the circumstances in which no notice under section 21(1)(b) or (4) of the Housing Act 1988 may be given pending the outcome of the request.

'(1A) In determining whether it is appropriate to make provision under subsection (1)(e), the Secretary of State shall take into account the advice of any relevant body or bodies.'.

Amendment 24, in clause 70, page 52, line 28, at end insert—

'(ab) to publish a report setting out the intended impact of a carbon emissions reduction order or a home-heating cost reduction order on fuel poverty and on the energy efficiency of domestic properties of different tenures.'.

Amendment 25, in clause 73, page 55, line 11, at end insert—

'(2A) The Secretary of State may in addition require the register referred to in subsection (1) to record information on—

(a) the tenure of each property; and

(b) in the case of a domestic PR property, the name and address of the landlord.'.

Amendment 23, in clause 74, page 55, line 43, at end insert—

'(2A) The Secretary of State may in addition require the register referred to in subsection (1) to record information on—

(a) the tenure of each property; and

(b) in the case of a domestic PR property, the name and address of the landlord.'.

Amendment 1, in clause 107, page 88, line 33, after subsection (1) insert—

'(1A) In setting out the extent to which the green deal plans under Chapter 1 of Part 1 and energy company obligations have contributed to the Secretary of State fulfilling the duty under section 4(1)(b) of the Climate Change Act 2008 (carbon budgeting), the Secretary of State must if necessary explain why the appropriate contribution has not been made and the additional measures he will bring forward.'.

Amendment 9, in clause 108, page 89, line 6, leave out 'residential accommodation' and insert 'buildings'.

Amendment 10, page 89, line 8, at end insert

'in such a way as to ensure that the energy efficiency of buildings makes its optimal contribution to the delivery of a low carbon energy system at least cost.'.

Amendment 11, page 89, line 9, leave out subsection (2) and insert—

'( ) In subsection (1) "energy system" means the production, transmission, distribution, storage and consumption of energy.'.

Amendment 12, page 89, line 14, at end insert—

'(5) The Secretary of State must within 12 months of the passing of this Act publish a report on the steps that he has taken and proposes to take to discharge his duty under subsection (1).'.

Amendment 21, page 89, line 14, at end insert—

'(5) For the purpose of assisting the Secretary of State to fulfil his duty pursuant to this section, each energy conservation authority must—

(a) take reasonable steps to increase the installation of energy efficiency improvements in residential accommodation in its area;

(b) involve persons and communities in its area in seeking to increase the installation of energy efficiency improvements in its area; and

(c) include a description of the steps it has taken pursuant to this section in its report pursuant to section 2 of the Home Energy Conservation Act 1995.

(6) An energy conservation authority must also consider whether, as a means of assisting the Secretary of State to fulfil his duty pursuant to the Climate Change Act 2008, it would be cost effective to draw up a sustainable energy plan for its area.

(7) In this section—

(a) "energy conservation authority" has the same meaning as in the Home Energy Conservation Act 1995;

(b) "energy efficiency improvements" are such measures as are specified by section 2(4), (5) and (6) of this Act; and

(c) "a sustainable energy plan" is a plan promoting energy from sustainable or renewable sources.'.

Luciana Berger: With so many households struggling under the weight of increased energy bills and fuel poverty at record levels, improving the energy efficiency of our nation's building stock and reducing our energy use has never been more important. A successful green deal scheme would offer protection to worried consumers hit by unfair gas and electricity price rises and reduce our country's damaging carbon emissions. As they stand, however, the Government's proposals lack detail, fail to provide clarity to businesses and risk being inadequate. The new clauses and amendments that we have tabled for debate today seek to rectify the Bill's weaknesses.

Since the Bill was first published last December, we have endeavoured to work constructively with Ministers to improve the proposals, not just because the green deal was born out of pilots begun under Labour in government, but because we recognise the urgent need to improve energy efficiency across our country. We are disappointed that the Bill did not receive Royal Assent before the summer recess, as the Government promised it would. Meeting that deadline was used by Ministers as a justification for expediting debate during the Bill's previous stages. In addition, the large volume of secondary legislation involved calls into question whether the green deal will be up and running by October next year, which has been set as the Government's deadline.

We offered a raft of proposals in Committee to increase consumer protection, boost small businesses and provide extra support for those struggling to heat their homes. Our vision of the green deal is one where co-operatives, small businesses, charities and social enterprises can compete equally alongside large companies that want to take part in the scheme. Our vision is of a scheme that supports Britain's 2 million small businesses, rather than simply leaving them with warm words and empty order books, which is what the Government risk doing. The Government voted against our vision, although I am delighted that Ministers did not oppose our proposal for a green deal apprenticeship scheme. I assure the Minister that all of us on the Labour Benches will be joining him at the next general election to champion the Government's policy—Labour's green deal apprenticeship scheme.

Despite that victory, we still have huge concerns that the Bill will not be as effective as it should be. As a result, we have tabled the new clauses and amendments in this group, which, if passed, would define the scale and purpose of the green deal. They would incentivise councils and engage local communities in the fight against climate change, give businesses the confidence to invest by linking the scheme to the UK's statutory carbon reduction targets, and end the misery for the hundreds of thousands of men, women and children who are left freezing, shivering under their blankets because they live in cold homes that are not fit for the 21st century.

Labour's new clauses 1 and 2 would address the lack of clarity in the Bill, better define the purpose of the green deal and ensure that businesses have the clarity and confidence they need in the green deal scheme. Together with amendment 1, our new clauses would explicitly link the green deal to meeting the UK's targets in our carbon budgets and our fuel poverty targets. New clauses 1 and 2 would place a duty on the Secretary of State to produce a plan for improving energy efficiency and a duty on the Government to report to Parliament on the green deal's progress towards achieving carbon reductions.

We have heard many soundbites from Ministers about the green deal, such as their description of it as "the biggest home improvement programme since the second world war", but the Bill contains no strategy for delivering it. We have heard today about the 14 million homes to be improved by 2020, yet we have seen no way to measure whether the green deal is delivering the refit of 4,800 properties a day, or 145,000 a month. None of that is in the Bill. As it stands, there is a danger that the green deal will not live up to the hype. I do not relish saying that: the Opposition want the Bill to be better, not worse, and we want the green deal to succeed, not fail. That is why we believe the Government must go further.

We are not the only ones voicing legitimate concern. After Committee, 51 organisations, including the World Wildlife Fund, Asda and the Federation of Small Businesses, sent a letter to the Secretary of State setting out the concerns that they still had about the Bill. They wrote:

"the debate during the Committee Stage of the Energy Bill has left us concerned that the energy saving programme is not yet guaranteed to be a coherent and ambitious programme, and that the Bill requires further significant improvements. We believe there needs to be an over-arching energy saving plan from the Government to ensure clarity of what is needed to be delivered by the market…Business will find it difficult to be in a position to deliver towards the Government's aspirations on the Green Deal without this further clarity and certainty."

The letter concluded:

"It is our view that the Government amendments need to go significantly further and currently do not deliver on the principles reflected in the Warm Homes Amendment. They do not deliver a policy ambition equivalent to the Government's aspirations or ensure the provision of a plan to cut carbon emissions from buildings and contribute to eliminating fuel poverty."

The letter proposes three ways to improve the Bill. The first is that

"an aim must be clarified in the Energy Bill that is tied to meeting the target set under…the Climate Change Act 2008, and importantly the individual carbon budgets. The aim must also be tied to the elimination of fuel poverty."

The second is that an

"amendment to prepare and publish a plan to deliver these aims must be included in the Energy Bill."

The third proposal is that a

"reporting amendment should ensure…the energy saving programme is linked with other…requirements".

All three improvements could be made today if the Government accepted our new clauses.

The letter is signed by organisations as diverse as B&Q, Marks and Spencer, Friends of the Earth, the Co-operative Group and the National Insulation Association—the very organisations and businesses that

the Government hope will deliver the green deal. Environmental groups, businesses and trade associations are all telling the Government the same thing: "You haven't got this right. You need to go further." They are asking the Government to do what the Opposition have suggested in this House and in the other place, but we are now running out of opportunities for the Minister to listen and change his mind.

In Committee, the Government added clause 108 to explain their ambitions for the green deal better, but unfortunately it is inadequate. The clause contains no qualified level of ambition and excludes non-residential properties. By repealing section 2 of the Sustainable Energy Act 2003 and introducing clause 108 to the Bill, the Government are in fact diluting existing energy efficiency requirements. That is why we have tabled amendment 1, alongside new clauses 1 and 2, to ensure that the Government's green deal definitely results in real carbon reductions. We will press new clauses 1 and 2 to a vote if Government support is not forthcoming, because they are crucial to the success of the programme.

New clauses 3 and 4 would ensure that Britain's transition to a low-carbon economy is fair. They would place power into the hands of councils and give them the freedom and flexibility to engage with local communities in finding innovative solutions to tackling climate change. They would boost the economy and create jobs by encouraging investment in green businesses. In practice, they would establish a three-stage process. The first part would involve the independent Committee on Climate Change examining the carbon output in every locality and assessing what reasonable action could be taken to reduce carbon emissions; those data would then be used by councils and central Government to agree a local carbon strategy, providing a road map for how the area would reduce its emissions. The local authority could use the strategy to engage the local community and voluntary groups in efforts to reduce carbon emissions and improve energy efficiency.

That idea is not new. The previous Labour Government introduced a pilot programme involving nine councils in January 2010. I am pleased that the Minister announced in Committee that further pilots were to follow, but what we are proposing would allow us to take advantage of economic opportunities that we are failing to exploit. The Federation of Small Businesses, speaking in support of local carbon plans, argues:

> "Small businesses are keen to go green…but are not getting the help or incentives they need to do so".

It goes on to say that they need

> "a framework that is flexible and supportive to encourage small businesses rather than penalise them."

Our new clauses would provide such a framework. They would provide certainty about the scale of carbon reductions locally while allowing local authorities to retain flexibility on how they go about achieving the cuts. It is vital that businesses play an integral role in tackling climate change. According to the FSB, at least one third of the UK's emissions are from businesses, and the Carbon Trust estimates that 20% of the UK's emissions are from small and medium-sized enterprises. The FSB calculates that if all UK businesses and public sector organisations install energy-efficient measures, at least £3.6 billion could be saved every year, thanks to the reduction in energy consumption. As well as helping businesses to cut energy usage and reduce costs, estimates of the potential for low-carbon job creation are significant.

3.45 pm

Research by Carbon Descent estimates that 70,000 jobs in energy efficiency and renewable energy could be created across the country if all local authorities set about reducing emissions in their areas by at least 40% by 2020. It is easy to see why the proposals have a wide backing both from business and environmental groups, including Friends of the Earth, the Federation of Small Businesses, the TUC, Good Energy, B&Q, the Stop Climate Chaos coalition and, most importantly, local government.

Rather than being seen as a burden by local councils, these proposals have a broad range of backing across local authorities. In March, 40 council leaders from across the political spectrum called for the introduction of local carbon plans. For many councils, the plans build on work they are already doing. By pledging to cut carbon emissions by 40% by 2020 or rolling out grant-funded renewable installation schemes, councils of all political colours—in Liverpool, Manchester, Birmingham, Brighton, Islington, West Sussex and Bristol—are leading the way. Although some councils are making good progress, it is clear that others need to do much more. Any advice to councils from the Committee on Climate Change needs to be meaningful. The level of carbon reductions recommended must be in line with our national carbon budgets and we need to ensure that councils share best practice and policies that successfully deliver local emission reductions, as well as advise each council on the steps that it could take to meet its plan.

The proposals in the new clauses will empower local councils, engage local communities and enhance local economies. They offer a fair way to meet our national climate change targets. We recognise that not every part of our country is the same and that we all need to share the same aim. Ultimately, every one of us needs to do our bit to tackle climate change. We need to go further; we need local carbon plans.

Amendments 47 and 48 would bring forward from 2018 to 2016 the introduction of a minimum standard of energy efficiency in the private rented sector, in line with the UK's legal target to eliminate fuel poverty. We welcomed the Government's announcement on Second Reading that they would introduce a minimum standard of energy efficiency for the private rented sector, but we do not believe that a 2018 deadline is adequate; we need to go much faster.

According to the Government, half the properties in the private rented sector are not considered to be of a decent standard. It cannot be right in the 21st century that people are forced to live in unfit homes that they cannot afford to heat. About 1.3 million children live in cold homes. The Marmot review found that this makes them twice as likely to suffer from respiratory problems than children living in warm homes. Anyone who watched the recent BBC documentary, "Poor Kids", will have seen the haunting footage of Sam who, at the age of 11, said:

> "When the gas runs out, the whole house is freezing."

We must urgently address that problem.

The UK has a legally binding target of eliminating fuel poverty by 2016. How can the Government not introduce the efficiency standard in time to help reach that goal? We know that fuel poverty is at record levels. In July, uSwitch published research showing that a staggering 6.3 million homes across the UK are paying 10% or more of their disposable income towards their energy bills. That means that almost a quarter of all households—24%—find it hard to afford to stay warm. Most worryingly, those figures do not take into account the huge price rises announced over the summer. When those increases hit, the number of people in difficulty will increase dramatically. That should be a wake-up call to the Government. Instead, over the past year, the Government have systematically removed support for fuel-poor households—from scrapping the Warm Front scheme to cutting winter fuel payments by up to £100. They have an opportunity to go some way to rectifying their record by bringing forward the introduction of the minimum efficiency standard.

By ensuring that poor-quality F and G-rated homes are no longer allowed on the rental market, the amendments would improve the living standards of thousands, many of whom are forced to live in the cold simply because their landlords do not know what improvements can be made, or because the owners of properties refuse to improve them. The amendments would end that sooner rather than later, and we sincerely hope that Ministers will support them. The 2016 target still allows adequate time for landlords to be made aware of the changes and to improve their properties.

Amendments 23 and 25 would establish a national landlords register to ensure that the minimum standard is enforceable. A register tightly defined as being for the purpose relevant to the Act would reduce enforcement costs, increase compliance, and help landlords to gain access to appropriate information about the green deal and other schemes such as the landlords energy-saving allowance. It would also leave rogue landlords unable to avoid improving their properties, and with nowhere to hide.

I hope that Ministers will consider carefully the changes that we are proposing, which are intended to improve on what is already in the Bill. I thank the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker), for the way in which he has dealt with Opposition Front Benchers during the progress of the Bill. It was necessary for us to meet him on several occasions and although we did not always agree on the best way forward, he was always courteous in his dealings with us, and I thank him for that.

Our new clauses and amendments would substantially strengthen a Bill that lacks clarity and detail. They would make improving the energy efficiency of our building stock a key part of our strategy for meeting the United Kingdom's carbon budgets. They would put local communities at the heart of tackling climate change, boost small businesses and non-profit-making organisations —particularly co-operatives and charities—and provide extra support for those who struggle to stay warm. I urge the Government to accept them.

Mr Deputy Speaker (Mr Lindsay Hoyle): I have now to announce the result of a Division deferred from a previous day. On the motion relating to access to a lawyer, the Ayes were 303 and the Noes were 192, so the Question was agreed to.

[The Division list is published at the end of today's debates.]

Mr John Baron (Basildon and Billericay) (Con): I want to speak to new clause 19, to which my name is attached.

There is much evidence to suggest that too many customers are overpaying for their energy and failing to take advantage of the best offers from energy suppliers. The coalition agreement rightly contains a commitment that energy suppliers will provide information about cheaper tariffs on the bills and statements that they send to their customers, but although energy bills have become longer, evidence suggests that the additional information has had only a limited effect in encouraging customers to switch to cheaper tariffs. What is required is much clearer information on tariffs, tailored to a customer's actual usage and payment option, to help customers to move to a company's cheapest tariff. New clause 19 aims to make that a reality.

The case for more clarity on bills is very strong. The average annual energy bill has doubled since 2004; bills have risen significantly this year alone, and may do so yet again before the winter. According to analysis by *Which?*, the cost of energy is the number one financial concern of nine out of 10 customers. It is of particular concern to the vulnerable in society, especially those who live in fuel poverty. Estimates of their number vary, but I do not think there is any disagreement on the fact that there are between 5 million and 6 million of them.

The problem is that tariff structures are too complex. According to Ofgem's retail market review, well over 300 tariffs were available to customers at the beginning of 2011. Research by Ofgem and *Which?* has found that people are baffled by not just the number but the many components of energy tariffs, such as standing charges, tiered rates, discounts and cashback offers. Ofgem calculates that one third of those who switch do not achieve a price reduction, although the vast majority switch in order to save money. That fuels cynicism in the energy market. Only one in three customers trusts the supplier to sell them the best tariff, and Ofgem believes that as many as six in 10 energy customers are inactive, many being completely disengaged from the energy market and potentially paying over the odds.

A further complication is that different payment methods have different outcomes. According to Ofgem, a customer who at the beginning of last year had changed their payment method from standard credit—paying on receipt of a bill—to direct debit could have saved more than £120. *Which?* estimates that more than 11 million households could benefit from switching to a direct debit payment method. I do not claim that all such households would want to, or that all would be able to, because many do not have a bank account, but that figure is great enough for this issue to warrant closer scrutiny.

Jim Shannon (Strangford) (DUP): Clarification is needed on the green deal and prepayment meters, which are a method that households can use to manage their budget.

Mr Baron: The hon. Gentleman makes a decent point. There is a lack of clarity on a range of issues. We want to encourage people to get on to their company's

cheapest standard direct debit tariff. We must try to ensure that bills are clearer, otherwise people will continue to pay too much for their energy.

Graham Jones (Hyndburn) (Lab): I am concerned that some people with prepayment meters will not be able to switch to direct debit. What is the hon. Gentleman's view on prepayment meters? People will load up and pay heavily on the meter in the winter, but budget and save in the summer. Under the green deal, payment rates will now differ, however. By the end of the summer, people may have a backlog in what is effectively a standing charge on the green deal.

Mr Baron: That is a fair point, but I would say in reply that we need greater clarity on bills on the availability of cheaper tariffs depending on payment method, which would include prepayment. We are not getting that at present. At best, we are getting generic messages saying, in effect, "You may be able to save money if you ring this number," but the evidence suggests that such messages are not sufficiently strong to incentivise people to find the cheapest tariff. New clause 19 addresses that specific point.

In the Retail Market Review, Ofgem stated its disappointment that the energy suppliers have not abided by what it considers to be the spirit of its post-2008 Energy Supply Probe standards of conduct, and that they have not always made details about switching as prominent as they might—although some companies have gone further than others. Ofgem is therefore frustrated about the lack of progress in this area.

Having questioned both the previous and the current Governments about the need to do more in this area, I was pleased to see a coalition commitment that energy suppliers should provide information about cheaper tariffs on the bills and statements they send to their customers. In October last year, I sent a letter to the Secretary of State suggesting a solution to these problems, which involved energy suppliers printing clearly on customers' bills how much money they would save if they were on their supplier's cheapest standard tariff, assuming different payment methods. I felt that talking about pounds, shillings and pence—I was brought up in the pre-decimalisation era—sent a much stronger message than giving just general signposting information.

Discussions followed and in June 2011 I was invited by the Minister of State to chair a billing stakeholder group to make recommendations about the implementation of the coalition agreement commitment. The group comprised representatives from the Department, from ERA—the energy retail association, representing the energy suppliers—and from consumer groups such as *Which?*, Consumer Focus, Citizens Advice and Ofgem. Useful meetings were held over the summer and I thank all the members of the group for their contributions.

4 pm

During that process, two proposals emerged. The first, suggested by ERA, was for a generic signpost message, including a telephone number or website that customers could use to find cheaper tariff options, to be displayed prominently on customer bills. The second proposal reflected the view of *Which?* and my proposal in my letter of 18 October 2010 for a more tailored message on customers' bills. This message would quote pounds, shillings and pence saved, depending on the payment method and tariff, as determined by the customer's actual usage over the previous 12-month period, where appropriate.

Tessa Munt (Wells) (LD): I am particularly concerned and exercised about people who never receive a bill, particularly pre-payment meter customers or card meter customers. Of course, there is the opportunity to have a large message printed on the receipt printout that one receives when paying at an outlet, and I hope that that option is included in the proposals. Also, there may be the option of ensuring that people who pay in advance for the sake of convenience or because they have an erratic income might be given a clear definition of what they might save by moving to a standard tariff.

Mr Baron: My hon. Friend makes a good point and I shall come to that issue in relation to new clause 19.

Although ERA objected to the second proposal, the general consensus in the group was that the second, more tailored proposal was the way forward, because a message about potential savings in pounds, shillings and pence was thought to be more powerful than a simple signposting message. Ofgem acknowledged that this was in line with its direction of travel and cited research finding that customers are more likely to be interested in information that is personalised to their needs and circumstances. ERA was opposed to the second proposal for a variety of reasons—for example, that suppliers' billing systems could not handle such a change in time for this winter and that they wished to wait for Ofgem's retail market review findings.

Let me outline the recommendations from the billing stakeholder group. First, it accepted ERA's view that the second proposal was not possible this winter. It was therefore agreed that energy suppliers should send out a letter to their customers—not an annual statement, because a lot of people do not get one—in time for this winter, clearly detailing the extent to which customers were overpaying or underpaying compared with that supplier's cheapest standard direct debit tariff. Ofgem already requires this to be done once every 12 months, but has been disappointed by energy suppliers' responses to date. We are asking not for anything new, but simply for something that Ofgem already requires energy suppliers to do. The group suggested that suppliers should send a letter rather than a text or e-mail because this is an important communication and such a system would allow consumer groups such as *Which?* to get behind the letter and mount a co-ordinated campaign to generate interest. Such groups have historically been very good at doing that and many of the stakeholders in the group, including *Which?*, would be happy to undertake such a campaign. An e-mail would be acceptable only for those already paying by online tariff. We thought the letter should be sent to all customers because even those already paying by direct debit may not be on that supplier's cheapest standard tariff.

Tessa Munt *rose—*

Mr Baron: If I may finish dealing with the two proposals, I will give my hon. Friend her chance again.

[Mr Baron]

Secondly, it was agreed that the energy suppliers would introduce their idea of a generic signpost message on bills, again in time for this winter. Thirdly, it was agreed that the two proposals outlined—ERA's generic signpost message and *Which?* and my more tailored message—would be market-tested to determine which was the more effective and how best to present such information to customers. Energy suppliers would abide by the conclusions, once researched, in time for the implementation by the winter of 2012-13. The amendments and new clause 19 reflect the group's recommendations.

Tessa Munt: I wonder whether my hon. Friend's proposals and discussions include a number of people who pay by direct debit. It noticeable—is it not?—that people can overpay by direct debit. They might be on the cheapest tariff, but the arrangement in place involves high regular payments. Energy companies never hesitate to contact us to let us know that we should pay more, but I have never been contacted to say that I am paying too much. We need to get a grip on that, because it affects people who do not necessarily understand the fantastically complex information that is sent out on bills, and there is a lack of fairness.

I should like to draw out a point about estimated bills. I met members of various energy companies last week, and they have no idea how many people receive estimated bills. Those who have received estimated bills for a year and are billed now for the outstanding amount will pay the new, inflated prices.

Mr Baron: I thank my hon. Friend for those questions. I hope that both of them will be addressed by the research undertaken if the group deemed it necessary.

Albert Owen (Ynys Môn) (Lab): I apologise for coming in and out of the debate because, like many other hon. Members, I have had to deal with other issues. Does the hon. Gentleman envisage his amendment covering people who are off-grid who are not protected by Ofgem and have difficult suppliers? Indeed, their supplies can be cut off at short notice. We are dealing with people who are connected to both gas and electricity mains, but more than 4 million households are not on the grid. Those people can be highly vulnerable and experience the greatest fuel poverty.

Mr Baron: I thank the hon. Gentleman for making that point. I hope that there will be no discrimination in how the information is presented. It is as simple as that. Bills go out to everyone in the land, and the information would be pertinent on those bills. Again, the research would ensure that we reached all sectors of our communities.

Guy Opperman (Hexham) (Con): Does my hon. Friend agree that the clarity of bill point that he is making eloquently and well would not necessarily be of use without clarity of ownership? He will be aware that a multitude of companies supply heating oil, which we debated in Westminster Hall in January this year, but the market is dominated by one monopolistic company—DCC Energy—which is being investigated by the Office of Fair Trading. Does he agree that the proposal should include clarity of ownership, so that proper price comparisons can be made?

Mr Baron: My hon. Friend makes a fair point. Undertaking market research into the two proposals and getting energy suppliers to abide by the findings of the research in time for next winter would have the advantage of making it much easier for a customer to get a figure from their company, based on their actual usage, because the message would be tailored. That would make comparisons with other companies much easier. At the end of the day, all we can do in the House is legislate to try to help consumers as much as possible to gain the necessary information for them to make informed choices. If they have that information, direct comparisons with other companies could help competition and consumers generally.

Mr Weir: To pursue the point made by the hon. Member for Ynys Môn (Albert Owen), does the hon. Gentleman not accept that the real problem with the off-grid market is the fact that there are no differential tariffs, as there is a set price for oil and gas? There are no social tariffs as there are for gas and electricity, so does he agree that that must be tackled before his excellent proposal could take effect in that market?

Mr Baron: The hon. Gentleman has a point, but his proposal goes only so far. My problem is that energy bills are far too complex. I want to set hon. Members' minds at rest: I do not stay up at night studying my energy bills, despite what Ministers think, although I might create the impression that I spend my time doing nothing else. The essential information is often contained on one page, followed by five or six pages of bumpf which compares usage with neighbourhood usage, and even usage overseas and so on. It is a lot of nonsense. What we want is clear information to cut through the 300 existing tariffs, which can be confusing. We need greater clarity, and there is no better way of getting that than making sure that we have information on a bill that says in pounds, shillings and pence how much would be saved if that customer was on the company's cheapest standard tariff, taking into account actual usage and payment method. If that information was clearly laid out in no more than four or five lines, we could cut to the quick very easily indeed.

Before I accepted a series of interventions—hon. Members were right to make them and I hope that I have answered their questions—I described the three proposals suggested by the billing stakeholder group: two for this winter, the letter and the generic message; and one for next year, which would be an obligation on suppliers, following research on which is the clearest message, to put that in place for winter 2012-13 . Ofgem supports the billing stakeholder group's general direction of travel, but I am aware that it is about to publish detailed proposals, following consultation, as part of its retail market review. One measure that it is considering is increased prescription on suppliers' communications with customers in bills and annual statements. Having discussed that with the Minister, I understand that he has asked Ofgem to publish its findings before Christmas. He and I have therefore agreed that we will wait to see what those findings are before the billing stakeholder group and the Minister consult on whether Ofgem's recommendations go far enough. If not, the third recommendation, in subsection (c) of new clause 19 will be triggered.

I therefore seek assurances from the Minister that the recommendations from the billing stakeholder group, as reflected in the new clause, will be agreed by the Government, with the qualification that we await the findings of Ofgem's proposals in December this year before deciding whether to trigger subsection (c). The Minister has kindly indicated in previous discussions, following my letter to him of 8 September this year containing the stakeholder group's recommendations, that he supported the proposals—something that I very much welcome, and for which I thank him. I therefore look forward to his response.

Graham Jones: I should like to speak to amendments 24, 23 and 25, which deal with the registration of information with landlords, and amendment 47, which would bring forward the date on which the standard came into force from 2018 to 2016.

I am pleased to make a contribution to this vital debate, and I thank my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger) for tabling the amendments on landlord registration, as they are important for constituencies such as Hyndburn. The problems that parts of the country such as mine have in trying to comply with any form of action must be appreciated.

During the summer recess, many hon. Members enjoyed the less than balmy summer statistics released on fuel poverty. They show that far too many of our constituents dread the coming of winter because it will mean living in a home that is cold and damp, and the daily choice between whether to turn on the heating or to go without food or other essentials presents itself. Official statistics show that, in 2009, 5.5 million households in the UK could not afford to heat their home to a reasonable level and lived in fuel poverty. My constituency has a worse than average level of fuel poverty, with 7,352 households—one in every five—living in fuel poverty. This summer also brought the dreadful news that the big energy companies are to push up their prices even further, which will increase those numbers. It will result in more misery for the people in my constituency. Citizens Advice handled 104,000 fuel debt inquiries last year.

The worst conditions are too often found in properties rented by landlords. The most recent English housing survey found that more than 40% of private rented homes were not of a decent standard compared with 27% of local authority housing. Some great work on conditions in the private rented sector is being done by charities such as Shelter and Crisis, but we must do more. Last week, tenants in privately rented homes came together to form the national private tenants organisation, a move that I warmly welcome. It certainly has my support. They deserve the attention of the Minister for Housing and Local Government, who seems unable to hear anything but the voices of the landlord lobby. Almost as soon as he stepped through the door of the Department for Communities and Local Government, he declared:

> "With the vast majority of England's 3 million private tenants happy with the service they receive, I am satisfied that the current system strikes the right balance between the rights and responsibilities of tenants and landlords."

Mark Tami (Alyn and Deeside) (Lab): In my area there is a high demand for private rented accommodation, but many tenants who come to see me feel threatened by their landlord if they raise these issues because, regardless of the state of the property, there is always someone else willing to take it on.

4.15 pm

Graham Jones: I had intended to raise later the issue of retaliatory eviction and the fact that landlords put pressure on tenants. More specifically, the short answer to my hon. Friend is the Channel 4 programme "Landlords from Hell", which was broadcast last month. In it a landlord openly boasted that he could act above the law. If tenants did not like what happened, he would take a baseball bat to them. He could manipulate their rents however he wanted, and if they did not like it, violence resulted. The tenants who were interviewed understood this and lived in fear. That is the worst case, but there are many cases where the law on retaliatory eviction is weak, and something needs to be done about that. My hon. Friend raises a good point, which I may return to later.

The Minister seems to be on the landlords' side, which does not work for a constituency such as mine, and he is being complacent. Rather than landlords' behaviour improving, it seems to be getting worse as a result of his inaction. In March, Shelter recently reported a 23% increase in the number of people seeking help for problems with private landlords in the past 12 months. Only this week, Shelter found that complaints to local authorities about private landlords have increased by a fifth in two years, with 86,000 made last year.

In Hyndburn, the stark reality is that we have a second-world Britain, with shocking housing conditions that would not have been found in the old East Germany. Private landlords condemn parents and young children to housing misery. As the Housing Alliance reported last week, the UK has some of the worst housing in western Europe, and constituencies such as mine are plagued by this housing crisis. It condemns people to worklessness, as wages cannot keep up with rising costs, and that will impact on the introduction of the Bill.

One measure that would help to tackle the conditions in the private rented sector is a national register of landlords. The Government have seen fit to drop the proposals made by the previous Government for such a register, and that is such a shame. The Bill represented a good opportunity to introduce a register. However, we can still achieve some good by ensuring that the energy performance certificate register records the tenure of the property, where it is rented and the name and address of the landlord. Amendment 23, tabled by my hon. Friend the Member for Liverpool, Wavertree, would achieve that. I cannot see what possible objection there could be to that most minimal of measures. Some might say that it is the thin end of the wedge, or a "landlords register lite". I wish it were, but it is not, because local authorities would be unable to access the information for other matters they have to deal with. However, it would help them to get accurate information to landlords about the green deal, the landlords' energy efficiency tax break, their legal duties and other such advice.

Disrepair can take many forms, but in this debate we are obviously concerned with one of the most serious threats to the health of tenants: cold. The increased risk of death for the elderly resulting from cold homes is well established. We have recently seen new evidence in

[Graham Jones]

a report by Professor Sir Michael Marmot of University College London about the dreadful damage to the health of children and teenagers that can result from living in a cold home. Children are twice as likely to suffer from respiratory diseases, such as asthma, if they live in a cold home. The very worst insulated properties, those in band G of the energy efficiency rating, are more than four times as common in the private rented sector as they are in the social sector. There are 680,000 private rented properties in England with the worst energy efficiency ratings of F and G. More than 40% of those households live in fuel poverty.

Almost all Members of the House must be aware of, and grateful for, the coalition of 40 organisations that have campaigned during the passage of the Bill to raise our awareness of the problem of cold housing in the private rented sector and that have proposed a solution by championing the idea of a rising minimum standard of energy efficiency for rented homes by 2016, rather than 2018. Without wishing to overlook the contribution of any other organisations, I congratulate Friends of the Earth, Citizens Advice and the Association for the Conservation of Energy on the well-run campaigns that they have pursued.

The Government have responded to this campaign, which is strongly supported by the Opposition, by including legislation that will make it mandatory to improve F and G-rated homes from 2018. This is a step forward, but it is not nearly good enough. Improving F and G-rated homes could have considerable health, climate and consumer benefits, lift 150,000 households out of fuel poverty and save an average of £488 in the annual energy bills of the homes improved. All these benefits will be unacceptably delayed if the introduction of the minimum standards is pushed back to 2018. More than 180 MPs, including many Government Members, have called for the introduction of those standards in 2016. Seven years is an unnecessarily long time to wait, and 2018 is two years after the date by which the Government have a legal obligation to end fuel poverty. In addition, introducing the minimum standard in 2016, rather than 2018, would cost the Treasury nothing.

In Committee, the Minister was unable to give any clear explanation on why 2018 was chosen. He said:

> "Ultimately, the date is a matter of judgment and balance. I do not think that we would pretend that there is anything perfect about 2018; there are arguments in favour of setting an earlier date, and I am sure that some would argue for further delay."

The only reason offered was the proportion of tenancies that would have to be turned over by 2018. The Minister argued:

> "Most tenancies, I am told, are 12 to 18 months, so by 2018, we expect that 80% to 90% of tenancies will have changed. ."—[*Official Report, Energy Public Bill Committee,* 14 June 2011; c. 182-85.]

He was unable to say why 80% or 90% of tenancy turnover was the right proportion, or what the turnover would be by 2016, two years earlier. However, Friends of the Earth calculated that the number of private rented sector tenants who had resided in their current home for five years or less is 80.3% and that the number of people who had resided in their current home for 10 years or less is 89.8%. So when the Minister argues for a delay until 2018 because there is likely to be an 80% to 90% turnover by then, he is wrong; there may in fact be an 80% to 90% turnover earlier than that—it could be expected to occur by 2016.

The independent Committee on Climate Change, in its recent third progress report to Parliament, specifically called for earlier introduction of regulation for the private rented sector, stating that

> "there is no reason to delay implementation of this aspect of the proposals."

It would be a tragedy if the Government's response to the news that 5.5 million households—many in the private rented sector—are in fuel poverty was to delay a vital measure that would tackle fuel poverty and cut energy bills.

Mr Leech: I shall speak to amendments 2 to 6 and 8, in my name and those of right hon. and hon. colleagues on both sides of the House, on energy efficiency in the private rented sector.

I join other Members in congratulating the Department on going a long way to tackle the problem in the private rented sector by agreeing to introduce a minimum efficiency standard and by declaring that it is simply unacceptable to rent out dangerously cold and draughty homes. The Department has gone far further than many expected, and the minimum standard is a major achievement that goes some way to meeting the Government's pledge to be the greenest Government ever.

I also pay tribute to my hon. Friend the Member for Wells (Tessa Munt) for her work in Committee, to the Minister of State and to my right hon. Friend the Secretary of State for Energy and Climate Change for genuinely engaging with the coalition of organisations that support the introduction of a minimum standard.

My amendments are backed by a coalition of some 40 organisations, and I join the hon. Member for Hyndburn (Graham Jones) in thanking Friends of the Earth, the Association for the Conservation of Energy and Citizens Advice for all their work during the passage of the Bill and for supporting my amendments.

The Government have taken a giant leap forward by agreeing to introduce a minimum standard, and we should not underestimate how far the Department has brought us, but my amendments seek simply to take a further, much smaller step forward.

The most important of my amendments is amendment 6, which would bring forward the date by which landlords have to bring their property up to a minimum standard. So far, 181 MPs from nine different political parties on both sides of the House have signed early-day motion 653, which I tabled in July last year, so there is clearly cross-party support for bringing in the minimum standard by 2016.

The Government have given no good reason why the deadline must be 2018 and not sooner, but there are plenty of good reasons for introducing it sooner. The Warm Homes and Energy Conservation Act 2000 requires the Government to do all that is reasonably practicable to eradicate fuel poverty by 2016, and there must be very compelling reasons not to meet that obligation. According to the most recent figures, 5.5 million households are in fuel poverty, and housing makes up 27% of the

UK's carbon emissions—a strong argument for it playing a central role in the Government's plan to meet their carbon budgets under the Climate Change Act 2008.

Owing to the lack of available social housing in recent years and the failure of successive Governments to prioritise and tackle the lack of affordable rented property, there has been an increasing reliance on the private rented sector to provide homes. Although there are many good landlords, there are still a number who let substandard properties, and in my constituency some private rented accommodation is among the worst and least energy efficient property available.

The Department's own impact assessment estimates that 42% of households in F and G-rated properties in the private rented sector are in fuel poverty, and Friends of the Earth-commissioned research by Consumer Focus estimates that 150,000 households would be lifted out of fuel poverty simply by bringing F and G-rated properties up to a minimum E standard, saving an average of £488 on the annual energy bill of the improved homes. It is also estimated that that would save 1.87 million tonnes of CO_2 annually and £145 million currently spent by the NHS on treating illnesses caused by cold rented homes. Those are all good reasons to bring forward the date to 2016.

4.30 pm

Bringing forward the deadline to 2016 would still give landlords nearly four years to comply with the minimum standards. Ministers have argued that waiting until 2018 means that the majority of private tenancies—getting on for 90%—will have changed hands, which will give landlords the chance to upgrade and retrofit the properties before a new tenant moves in. That is a reasonable argument, as it creates the minimum disruption for the minimum number of tenants and will cover the vast majority of tenants in longer-term lets. However, the vast majority of private tenancies—between 80% and 90%—will also have changed hands by 2016, and so bringing forward the deadline would cause very little, if any, additional disruption for tenants.

The Bill should be amended so that we have a 2016 deadline after which all private rented sector homes must, by law, be at least E-rated for energy efficiency. The 2016 date clearly meets the Government's stated criteria of being

"a date by which properties with long-term tenancies will have gone through a tenancy cycle".

The 2016 date has been backed by the Committee on Climate Change, which, since the Committee stage of the Bill, has stated:

"There is no reason to delay implementation of the proposals. The regulation would only apply to F and G-rated properties and improvements would be relatively low cost in most cases."

Research suggests that the vast majority of these properties could be improved to meet the minimum standard for less than £3,500, and that for 37% of them it would cost less than £900 to make the necessary improvements.

Today's letter from the Minister to Friends of the Earth made it clear that the Government are not going to concede any ground on the date and suggested that it was a matter for Parliament. Well, I am making it a matter for Parliament today. I would have been prepared to withdraw the amendment if I had received a commitment to a public consultation on changing the deadline, but because there has been no such commitment I feel that it is necessary to seek to put it to the vote.

I have tabled amendments 2, 3 and 5 because clause 42 does not mention the role of letting agents and those marketing rented properties. Ministers say that it is "implicit" that the minimum standard will have an impact on not only landlords but anyone acting as their agent, including letting agents and estate agents. The Department has subsequently stated that the Consumer Protection from Unfair Trading Regulations 2008 will prevent landlords and letting agents from marketing F and G-rated properties. I hope that the Minister can give a clear indication of how the regulations will do that, and then I will be happy to withdraw the amendments.

I welcome the provision in clause 45 that means that landlords cannot refuse consent for reasonable requests for energy efficiency measures. Some tenants already worry about asking for reasonable repairs because of the potential threat of retaliatory eviction, so how many will exercise that right if they face a strong chance of being chucked out of their homes? The National Private Tenants Network has clear evidence that retaliatory action is occurring, including landlords seeking possession of a property under the Housing Act 1988. The Housing Minister has said that it is vital that tenants can ask for repairs without fear of eviction, and I welcome that comment. In Committee, Ministers acknowledged those concerns and set up a stakeholder group on retaliatory eviction. That is a step in the right direction because it is vital that tenants have legal protection against such retaliation.

Amendment 8 seeks to give the Secretary of State the power to include in the regulations protection for tenants by limiting the circumstances under which a section 21 notice for eviction of a tenant can be served once a request has been made by the tenant for relevant energy efficiency measures. I would be grateful if the Minister updated the House on what progress has been made by the stakeholder group in ensuring that tenants are protected against eviction.

Finally, amendment 4 seeks to ensure that improvements that are carried out on a property that falls below the E rating make it reach a minimum E rating. It is not clear from clause 42 that it will be mandatory for improvements to bring it up to band E—the minimum standard the Government want to see. Subsections (2) and (3) suggest that landlords will have to make "relevant energy efficiency improvements". The clause states that those improvements can be financed by the green deal, the energy company obligation or other financial arrangements. Those improvements might bring the property up to band E, but they might not. For some band F and G properties, landlords will rely on using ECO, a fixed pot of money that will not pay for all improvements or other sources of funding. In such cases, landlords will not know what is expected of them. That will not only create the danger that private rented sector tenants might not benefit in full from the improvements the Government want to see; it will also create uncertainty for landlords.

Once the principle of regulation has been accepted—as it has been by introducing a minimum standard—it is in the interests of landlords for that regulation to be clear and straightforward to comply with. The ambiguity will make it more difficult for local authorities to undertake their enforcement role. They will somehow have to

distinguish between F and G rated properties that are legal because they have been improved and those that are illegal because there have been no improvements. We need to mend the legislation to make it crystal clear to anybody what the minimum standard is, and amendment 4 seeks to do that.

Dr Whitehead: I will address my remarks to amendments 9 to 12, which I tabled. I will also put those amendments in the context of the other amendments in the group headed "Energy efficiency".

I will question to what extent the Bill is attached to anything by which it can be measured. What might we mean by the success of the green deal, the energy company obligation or the energy efficiency aspirations of the Bill? As things stand, it is difficult to attach the good ideas, aspirations and programmes in the Bill to any sort of measure. Most importantly, it is difficult to attach them to one of the key measures we currently have, which is the progress we are making in reducing our carbon emissions under the Climate Change Act 2008. That Act asked for certain actions to be undertaken by the Committee on Climate Change. In its progress reports and recommendations on meeting our carbon budgets, the Committee has increasingly involved itself in specific measures that, among other things, are the domain of the Bill, such as targets for the removal of problems relating to non-cavity wall homes through external and internal insulation. Such measures contribute to greater energy efficiency and, as a result, to reducing carbon emissions.

My amendments would do something very simple: they would require the Department to assess the cost-benefit relationship between undertaking and investing in energy efficiency measures and undertaking investment in and pursuing energy generation. It will be good for policy direction if we know the costs and benefits before mounting programmes that could have a substantial impact on either. The fact is that we do not know and no one has done that kind of work within or outside the Department, yet a substantial raft of policies have been launched on that non-understanding, including a number of policies in the Bill. Frankly, that is not a rational way to make policy, and the Department's chief scientist, Dr David MacKay, very much agrees. He said recently:

> "I agree that this is a crucial comparison to make, and I would love to see us develop a rational, quantitative approach that incentivises energy saving in the same way that, say, renewables are incentivised."

Amendments 9, 10, 11 and 12 would require the Minister to assess that and report to the House to inform policy making.

Essentially, my proposals are in the same vein as several that we have debated this afternoon. New clauses 1 and 2 would explicitly link the aims of the Bill to the progress made on reducing carbon emissions and to reports from the Committee on Climate Change. The Department would have to provide a clear strategy in its plan for delivery and ensure that the strategy is based clearly on a link with climate change strategy. Similarly, in respect of putting local authorities at the heart of local carbon reduction, a requirement would be placed on the Committee on Climate Change to advise on local area carbon emissions, so that they too are linked.

We need to be able to relate the ambition—the overwhelming imperative—to reduce energy use in the residential and small business sector to what we need to achieve by certain dates in terms of improving the energy efficiency of property throughout the UK. That is one of the key areas on which the Bill remains silent. After the end of Warm Front, the carbon emissions reduction targets, the community energy savings programme and various other programmes, the green deal and the energy company obligation are the only shows in town as far as making progress on energy efficiency in homes is concerned.

The Bill sets out a number of ways in which the green deal and the ECO can move forward, but it does not set out any means by which to assess their success or appropriateness. That is significant in terms of the proposals in the Bill for the development of the ECO. We are asked to accept that an ECO of perhaps £1 billion a year will get close to achieving the loft insulation, cavity wall insulation, and solid wall insulation tasks that face the country over the next period, which relate to the Committee on Climate Change recommendations. Indeed, my hon. Friend the Member for Brent North (Barry Gardiner) described a number of the scenarios that have been set out and said what we ought to be achieving for the third progress report of the Committee on Climate Change. What is the Government's ambition within the likely terms of the Bill? Will the finance be available to get us anywhere near that ambition?

The figures suggest that by the early 2020s, using a combination of green deal, CERT extension and the ECO, we are likely to be almost 5 million properties short on loft insulation, 4.5 million short on cavity wall insulation and 200,000 short on solid-wall insulation. Those figures assume the Government's low-scenario ambition, and although they decrease if we adopt their high-scenario intention, they still fall substantially short not only of the imperative and ambition, but of the likely finance.

4.45 pm

The ambition for the ECO appears to be about £1 billion to £2 billion per year, yet clear figures are available on the cap within which that ECO obligation will fall. The £11.8 billion cap for the current spending period was set by the Treasury at the last Budget and includes the renewables obligation, feed-in tariff and warm homes' discount. According to the Treasury, the ECO is likely to fall within the cap, which means either removing from the cap some of the areas currently funded up to 2015, or increasing the cap to accommodate the ECO. I believe that the Department thought that it had agreed the latter verbally with the Treasury, but it appears that that hope has been dashed—certainly it seems less certain than the Department thought it was a little while ago.

We do not know how much funding there will be for the ECO over the next period. We do not know whether the Treasury will place it inside or outside the original cap or inside a larger cap. Significantly, some claimed that the Treasury announced the cap following the referral of the measures in it to the Office for National Statistics and that, because those levies and arrangements, which are similar to the ECO, were declared to be imputed tax-and-spend devices, the ONS considered them to be so. That is not so, however. Only one of those three devices went to the ONS. The Treasury effectively declared that the other two were the sorts of things that the ONS could decide were imputed tax-and-spend devices and so put them within the cap.

That does not augur well for the ECO being taken seriously by the Treasury as a necessary and substantial measure for tackling problems with solid-wall insulation and fuel poverty, where people need assistance outside the terms of the green deal owing to their individual circumstances. It is also a bad augury because it appears that the Treasury can declare by fiat what those things should be and, therefore, how they should be limited. The Minister should bite the House's hand off to incorporate these amendments into the Bill, but I suspect that he will not.

The amendments relate to targets, to the progress that we need to make on climate change, and to the real cost to the country of tackling the problems of solid-wall insulation and helping people in fuel poverty and those otherwise unable to access the green deal. The Minister would then be able to say to the Treasury, "It is not good enough to impose a cap because of the requirements of the Bill. Even if there is a cap on these arrangements, other measures will be needed that may contribute towards the success of such targets in the fight to make energy efficiency a much more central part of our approach to the fabric of our property and its energy efficiency."

New clause 7, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas) sets out, among other things, a number of areas in which one might look for additional funding to augment the energy company obligation in order to reach those targets. We would be able to argue for that if the new clauses and amendments were accepted, strengthening the approach to the overall energy efficiency target that we all know we have to reach.

It would be a good idea for the Government to move towards ECO-mortgages for homes with solid-wall insulation, with the interest perhaps paid by ECO capital under a new golden rule that the net effect must be less than the payments. That would greatly expand the effect that ECO would have, over and above the level to which it seems to be limited at present.

Unless the Bill contains measures that enable us to see where we are going, what we need to do, and how that relates to the wider issues tackled by, among others, the Committee on Climate Change, I fear that in a few years people will say that the Bill was a good try but it did not get very far, despite the good intentions. Adding backbone to the Bill by making clear what it should achieve and why would make it central to our attempts to tackle climate change, energy efficiency in homes, and our obligation to ensure the best energy efficiency arrangements for the homes of those currently in fuel poverty, to proof them as far as possible against future fuel poverty.

Caroline Lucas: I associate myself with the comments made in support of the amendments tabled by the hon. Members for Liverpool, Wavertree (Luciana Berger), for Basildon and Billericay (Mr Baron), Member for Manchester, Withington (Mr Leech) and for Southampton, Test (Dr Whitehead).

I shall say a few words in support of my new clause 7, which I believe would go to the heart of whether the green deal will succeed or not. As the Minister knows, I strongly favour a properly publicly funded, street-by-street, area-based approach to domestic energy efficiency programmes. That would be far more effective than the market-based green deal approach that the Government are pursuing, not least because a market-based approach will not work for those on low incomes living in fuel poverty. I welcome the fact that the Government have acknowledged that the green deal finance mechanism is not appropriate for those groups—essentially low-income and vulnerable households that have under-heated their homes in the past.

It is crucial to recognise that the golden rule is much less likely to work for households, as they are much more likely to use the money notionally saved from their fuel bills to increase their thermal comfort—in other words, to take the benefits of energy efficiency improvements in increased warmth rather than in increased savings. That is why the energy company obligation is so important, yet under the Government's current proposals, I am concerned that the obligation is being seriously under-resourced.

The purpose of new clause 7 is to try to identify additional support to allow us to create a significantly larger ECO pot of resources and to supplement it with some other sources of revenue. In arguing for more resources, I have tried to be helpful by suggesting possible sources of funding that could come on stream in the years to come—namely, receipts from auctions under the EU emissions trading system, the carbon floor price, a tax on gas and electricity companies, or, if necessary, direct taxation. Let me say a few words about why those resources are so desperately needed.

As other hon. Members have said, the scourge of fuel poverty is getting worse, not better. The latest Government statistics, from 2009-10, show 5.5 million UK households in fuel poverty, or 21% of the total. Retail energy prices have continued to rise since the fuel poverty figures were updated, with five of the six main energy suppliers recently announcing higher charges for gas and electricity, which will inevitably increase the scale of fuel poverty. As a result, National Energy Action estimates that we are currently closer to having 6.5 million households across the UK living in fuel poverty. However, the stark truth is that existing programmes to address fuel poverty through energy efficiency are not equal even to current demand.

If there is to be any prospect of meeting our social and environmental objectives, and if the 2016 target to eradicate fuel poverty in England in particular is to be met, the Government must introduce much more ambitious policies to support and protect low-income and vulnerable groups. That means that the ECO must be much better funded and supplemented with other resources if it is to provide the necessary support for those who are fuel-poor and living in vulnerable households and for the hard-to-treat properties that need it most.

David Mowat (Warrington South) (Con): Would the hon. Lady care to tell the House approximately how much she believes is available or needed for the ECO, and how much of that the sources named in her new clause—in particular, those named in subsections (1)(a), (b) and (c)—would provide?

Caroline Lucas: If the hon. Gentleman holds on for just a moment, I will come to those very figures. Indeed, the question that I wanted to ask the Minister was whether he could outline the latest thinking on the level of funding for the ECO pot. The figure of £1 billion has been cited in the past, but a recent all-party report

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recommended that the annual contribution through the ECO should be no less than £2.5 billion, focused exclusively on low-income and vulnerable households. Other reports have suggested that the contribution should be as much as £4 billion a year.

Let us not forget that the introduction of the ECO will coincide with the end of all Exchequer funding for domestic energy efficiency programmes—the first time in three decades—when Warm Front is phased out. As we have discussed, the ECO will be funded through a levy on all customers' fuel bills, regardless of households' financial circumstances. That is inherently regressive and can result in perverse outcomes. I mentioned earlier that if we are not careful, we could push more people into fuel poverty by levying a fee on all bills—rather than by adopting a taxpayer-funded approach—than we take out of fuel poverty. It is simply not acceptable for low-income and vulnerable households effectively to subsidise those who just happen to live in hard-to-treat homes, but who are perfectly able to pay to heat them properly. The dual function of the ECO pot is therefore misguided and risks creating cross-subsidies from the poorest to the better-off.

In their paper "Extra help where it is needed: a new Energy Company Obligation", published in May, the Government provide further information about the ECO, and in doing so partially recognise the limitations and regressive nature of the policy, as well as acknowledging concerns about targeting and equity. That document says:

"As the delivery costs of ECO are assumed to be recovered by the energy companies through increases in consumer bills and therefore spread across all households, it is important for the credibility of the scheme to ensure that all households have fair access to the benefits, safeguarding distributional equity. In addition to providing for affordable warmth, this includes considering how the benefits of support for solid wall insulation can be delivered equitably. We are looking into learning the lessons from CERT".

Those are the challenges that need to be overcome. The case that I want to make—the same case as that made by the Committee on Climate Change—is that the funding available from the ECO should be used exclusively for low-income and vulnerable households, including those in hard-to-treat homes. Essentially, what we should not do is use ECO funds for those in hard-to-treat homes who can afford to pay for them.

Graham Stringer (Blackley and Broughton) (Lab): The hon. Lady is making a powerful case, with which I agree, in criticising the market-based approach to the alleviation of fuel poverty. Is she also concerned about the figures that appeared on the front page of *The Daily Telegraph* last week, which suggested that the cost of the renewables obligation and the feed-in tariff could, depending on the price of carbon-based fuels, be as much as £300 per household? That would negate most of the benefits of the Bill.

Caroline Lucas: I did not see that piece in *The Daily Telegraph*, but I would query some of the assumptions on which such a calculation was based in relation to the levels that fuel bills might reach—because fossil fuels are getting so expensive—without some measure of investment in alternative fuels. I take the hon. Gentleman's point, however, that it would be better not to put more and more obligations that have to be paid for on to people's fuel bills. That is a regressive thing to do, and any such measures should be funded either through direct taxation or through mechanisms such as the emissions trading scheme's revenues.

5 pm

The Committee on Climate Change has highlighted its concerns about the dual direction of the ECO funds. It states clearly that they should be used to prioritise solid-wall insulation in the 1.9 million fuel-poor households that live in solid-wall properties. We should combine the two functions of the ECO: yes, it should be used for low-income and vulnerable families, but it should also be used for low-income and vulnerable families in hard-to-heat homes.

Gregory Barker: I am listening closely to the hon. Lady, and I admit that the Government have not yet come forward with our proposal on the ECO. She seems quite clear about what it should involve, but I did not pick up the actual figure that she thinks would be right for it. Will she tell us what she thinks that figure should be, so that we can work out whether the sources of revenue would be sufficient to fund it?

Caroline Lucas: I thank the Minister for his intervention, and I am pleased to see his impatience for me to get to the crunchy bits involving the figures, which I will now do. The figures that I was quoting were from an all-party group chaired by the hon. Member for Southampton, Test that involved myself and a few others. The group believed that it would be necessary to have a minimum of £2.5 billion in the ECO pot specifically for low-income and vulnerable households involved; some members of the group felt that it should be £4 billion. We were therefore looking at between £2.5 billion and £4 billion, but that was intended not for solid-wall insulation in the able-to-pay sector; it was focused solely on low-income and vulnerable households.

We considered where we might be able to find such sums of money, including down the back of the sofa and so forth. Based on the Treasury's own budgetary projections, the EU emissions trading scheme and the carbon floor price will bring in a combined revenue of £2.7 billion in the first year of the green deal's operation, 2013-14, rising to £3.6 billion by 2015-16. If we were to choose to hypothecate those two revenue streams alone, they could be used to supplement the revenues of the ECO. That is exactly what many groups and individuals have recommended. A 2008 European Parliament directive recommended that at least 50% of revenues from EU ETS auctions of allowances should be devoted to environmental protections, including more efficient heating and improved insulation. In contrast to the UK, countries such as Germany, Hungary and Poland are doing exactly that.

Ofgem provided constructive support in its report to the Chancellor of the Exchequer in 2008, stating:

"In view of these pressures on prices the regulator has identified a windfall to the electricity industry arising from the free allocation of tradeable emission permits."

That windfall still exists. The report continues:

"This could be used to fund aid for fuel-poor households: those who spend more than 10 per cent of their income on energy."

The European Parliament and Ofgem are thus both in favour of such a move.

Graham Jones: The hon. Lady mentioned hard-to-treat homes and solid-wall insulation. Is she saying that those who are able to pay should not benefit from the ECO?

Caroline Lucas: If money were no object, I would love to see hard-to-treat homes subsidised through the ECO, even for those who are able to pay. We are living in financially constrained times, however, and I am therefore suggesting that we focus all the money in the ECO, which should be increased, on low-income and vulnerable households, of which a subset would be those low-income and vulnerable households in properties that are hard to heat and therefore need solid-wall insulation.

Gregory Barker: If the hon. Lady is not prepared to subsidise solid-wall insulation, does she accept that many able-to-pay customers will baulk at the substantial cost of such insulation, so there is a very real risk—it is almost certain—that we would be unable to hit our CO_2 reduction targets? All the analysis of this problem that has come from a climate change or environmental perspective is absolutely clear that we will need to subsidise these currently expensive measures.

Caroline Lucas: I thank the Minister for his intervention. I hope he will allow me to explain my proposal. It would mean that for at least the first three years the ECO would be used for the low-income and vulnerable families that live in hard-to-heat homes. As about 40% of the low-income and vulnerable households do live in such homes, I am confident that if the revenues from the ECO were focused on that group of people, we would have a much greater uptake of solid-wall insulation and the price would come down far more quickly. If we were to use the bulk of the ECO to go house to house or street by street to some of the poorest, most vulnerable people, I believe it would have a far better environmental impact than sitting back and allowing market forces to see who happens to ring up the advice line to say, "By the way, I'm living in poverty in a hard-to-treat home, so could I have some support from the ECO?" What I am suggesting would be better for dealing with fuel poverty and also better for the environment—the figures suggesting that do stack up.

Simon Wright (Norwich South) (LD): Was the three-year time scale you mentioned the period over which you envisage this £2.5 billion to £4 billion ECO operating? If not, what time scale are you looking at for the generation and use of the ECO in this way?

Caroline Lucas: I thank the hon. Member for his intervention. I think he is asking me whether, over those three years, I envisage a pot of money of between £2.5 billion and £4 billion, replenished on an annual basis, being used only for these low-income and vulnerable households. If that was the question, the answer is yes.

Simon Wright: For how much longer, then, will it go on for the groups that your all-party parliamentary group spoke up for? Is a 10-year programme envisaged for that level of investment? Do you have a longer time scale in mind?

Caroline Lucas *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. Before the hon. Lady answers, let me say that the hon. Gentleman has been here long enough to know that he should address the Chair, that I am "you", and he should not therefore ask me what my views are. The hon. Lady should be referred to as either his hon. Friend or the hon. Member.

Caroline Lucas: Thank you. I commend to the hon. Gentleman the report of the all-party parliamentary group, which was co-chaired by myself and the hon. Member for Southampton, Test, as it contains all the detail in it. Off the top of my head, I cannot remember the overall number of years, but my essential point is that both for attacking fuel poverty and for environmental rigour, it makes more sense to target all the ECO resources for at least the first three years on low-income, vulnerable households, including those living in solid-wall and hard-to-heat properties, rather than trying to separate out the ECO into hard-to-treat homes that might belong to able-to-pay groups. A focus for at least three years solely on low-income and vulnerable households would have stronger fuel poverty and environmental outcomes.

Let us not forget that the Government are still bound by their statutory commitments to the eradication of fuel poverty in England by 2016. If that objective is to be met, we need significant additional resources for programmes that will improve heating and insulation standards in dwellings occupied by those households. An impoverished Exchequer, a coalition Government who are averse to high taxation and a policy of funding a range of programmes through levies on consumer bills can only exacerbate the appalling scale of fuel poverty. I think we need a major investment in a national programme to improve domestic energy efficiency, giving priority, as I say, to those in greatest need.

Sarah Newton (Truro and Falmouth) (Con): Does the hon. Lady accept that the Government are taking other measures? For example, in the recently published public health paper, the eradication of fuel poverty is highlighted as a public health outcome for the very first time. If health and wellbeing boards are established, they will play a critical role, and they will have additional funds to target on this issue. There is already very good partnership working in such counties as Cornwall—between Community Energy Plus and the local authority, for example—and it is targeting precisely the households that the hon. Lady mentions. That is another way of tackling fuel poverty.

Caroline Lucas: I thank the hon. Lady for that intervention. I welcome the fact that health and wellbeing boards are now interested in fuel poverty, although whether that will bring significant new resources into play is another question. I hope that the hon. Lady is right, but I am not convinced that she is, or at least that there will be enough resources without hypothecation of some of the revenue sources from emissions trading and so forth.

New clause 18 would allow fuel poverty and energy efficiency programmes to be better targeted at those in greatest need through the sharing of data between the Government and energy companies, with all due consideration for privacy and data protection issues. I believe that such improved targeting would also reduce

[Caroline Lucas]

wasteful administration costs, which have been estimated at about £120 per household. Money spent on trying to identify low-income and vulnerable consumers would be much better spent on helping them out of poverty.

I strongly support amendments 2 to 5, tabled by the hon. Member for Manchester, Withington and signed by me. I had tabled similar amendments to improve clause 42, but withdrew them to support those tabled by the hon. Gentleman.

Guy Opperman: It is no exaggeration to say that the citizens of Northumberland are often faced with a straight choice between heating and eating. I am lucky enough to represent 1,150 square miles of south and west Northumberland, and while in the rest of the country 6 million people—one in 10—may suffer from fuel poverty, it is well accepted in my constituency that the position is far worse there. The north-east has the second highest level of fuel poverty in the country, and we take the issue very seriously.

I support what the Government are doing in the Bill and with the green deal. It is a wonderful step forward. Listening to the hon. Member for Liverpool, Wavertree (Luciana Berger), one might have believed that nothing had happened since the present Government came to office, that everything had been rosy in the preceding 13 years, and that fuel poverty magically mushroomed out of nowhere in May 2010.

I want to discuss energy efficiency and fuel poverty in the context of new clause 19, which was presented very impressively by my hon. Friend the Member for Basildon and Billericay (Mr Baron). My constituency is particularly affected in the context of oil and liquefied petroleum gas, although we are obviously affected by other energy issues. I applaud all the efforts to improve the energy efficiency of homes through the green deal, but I am concerned about, in particular, the variances in the price of heating oil and LPG. We discussed the issue during an important debate in Westminster Hall in January to which a number of Members, including the hon. Member for Ynys Môn (Albert Owen), made impressive contributions. I hope that that debate is a source of ongoing development in relation not just to the Bill and the green deal, but to other proposals made by the Government.

Fuel poverty is not an abstract issue. It is talked of as though it affects other people, but account should be taken of the sheer increase in fuel prices. The price of heating oil in Northumberland, for instance, rose from approximately 41p to 71p in the three months between September and December last year. That is a massive price rise. Everyone accepts that prices are affected by consumption and by oil and gas prices generally, but there is undoubtedly an element of profiteering, and naked monopolies and cartels have been created by individual companies. We have campaigned strongly on the issue.

It is well known that I am no fan of the company known as DCC Energy. I am pleased to say that it is being subjected to an investigation by the Office of Fair Trading, which was launched on 14 March this year and will report in October. I hope very much that the OFT will fully address the difficulties that individuals face. I touch upon this matter because it relates to fuel poverty and energy efficiency. We in Northumberland have at least 20 or 21 fuel companies that provide heating oils and other products. If the practice had not been made public by Members and *The Sunday Times*—whose campaign I applaud and endorse—it would not be known that all but four of those companies are owned by DCC Energy. Long-standing customers of, for instance, a heating oil company that had been bought-out might be told, "We're the independent and long-established company that you've always purchased from," when that was manifestly not the case. That company is now clearly controlled by a parent company.

5.15 pm

Mr Weir: That problem also arises in many other parts of the country, particularly in Scotland. The traditional response of Governments when asked to address the issue of tariffs was that there were too many suppliers, but it is clear that we are now moving towards a situation in which this market is controlled by just a few companies, as in the energy market, which is dominated by the big six. Does the hon. Gentleman agree that it is time that the Government looked at an equivalent to social tariffs in this area?

Guy Opperman: I would certainly welcome hearing what the Minister has to say on that. The point, however, is that there is regulation of the big six energy companies, but there is no regulation of the heating oil companies and others. I accept that we must wait until we know the results of the Office of Fair Trading investigation, however. After that, we might want to come back to the House and argue that changes must be made.

Sarah Newton: My hon. Friend is giving a comprehensive account of a problem that we in the west country also face, as there are very high levels of fuel poverty, which is related to the fact that so many people are off the gas grid, and they rely on heating oil and LPG, just as people do in my hon. Friend's Northumberland constituency and in Scotland. As he says, we must wait for the publication of the OFT's full findings at the end of the month, but does he agree that its initial findings were welcome in that at least there will now be clarity in respect of websites offering people advice on where to purchase their heating oil? Thanks to the intervention of Members—and especially the Minister, who asked the OFT to look into oil supply as part of the off-grid energy review—this winter, when prices are rising and people are increasingly concerned, at least accurate and fair information will be available on where to purchase heating oil.

Guy Opperman: I agree with all those points and applaud the efforts of the Government, and especially the Minister, in pursuing the point about websites. One such site, BoilerJuice, is supposedly a price comparison site yet is owned by one company—DCC, unsurprisingly—and it markets only the products it owns. That is manifestly unfair and wrong; it is not good for either the consumer or our constituents in general. I endorse the OFT response, and it is to that company's great shame that it behaves in that way. I welcome the actions of the Minister, the OFT and especially *The Sunday Times*, which has done much to help tackle what is, frankly, a scandal.

The message must go out that this issue is about not only what the Government can do through the Bill and the guidance they issue, but about the fact that our constituents must ask questions and shop around as well. They will not be able to do that unless they know who owns the business that is supplying them with fuel or heating oil. If they do not have such information, they will be subject to what amounts to a monopolistic cartel. That is manifestly wrong. We cannot do all the work, however; people must address this issue themselves as well. We have to sell that message to them.

Sarah Newton: My hon. Friend is being very generous in giving way. Does he agree that there are some very good initiatives in which communities are gathering together to form co-operatives? In villages, people join together, often enabled by voluntary organisations such as Community Energy Plus in Cornwall, to get a better deal for customers in their villages.

Guy Opperman: I totally endorse that. In certain areas in Northumberland, such as in the communities of Tarset and Allendale, similar approaches are being pursued by local communities' grouping together and purchasing from a local supplier. In my area, we thought we had 21 different companies but in fact we have one company masquerading as 17 providers and four independents. Fortunately, the four independents have been identified and should be supported; indeed, I assure hon. Members that they will be supported because of the way they are trying to do business and support the local economy and are not an Irish-based provider in a cartel.

Following on from the community projects we have been talking about, I endorse the work of organisations that have addressed this issue and worked to improve the position for the individual consumer and constituent. To their great credit, Age UK and the National Farmers Union have done tremendous work to address the matter. It is worth noting that of the 10 things most likely to be stolen in thefts and burglaries of people's houses, the sixth-highest is fuel—in Northumberland, the figure is probably even higher. The Countryside Alliance should also be complimented because the rural action that it has proposed is massively successful; it is identifying ways in which the community can be assisted, and not just in farming communities and market towns. In my constituency there is no question but that fuel poverty is an issue in residential parts of places such as Prudhoe, Haltwhistle and west Wylam. Those are not areas of farmland and sheep—they are nothing other than normal houses where people are struggling to stay above the fuel poverty line.

Today, I met representatives of the Young Foundation, which supports The U—a citizens' university-based organisation in Hexham that is working for specific energy efficiency projects. Those projects are just the sort of thing that will benefit from the green deal in future. They, along with the Green Alliance and several Members of Parliament, are working together to try to provide flagship examples and leadership for the type of constituency and community that is putting green policies at the heart of the community. There is great scope for a community-based way forward to try to strengthen our ability to address energy efficiency.

I support the Bill, but I want to touch briefly on new clause 19, which was tabled by my hon. Friend the Member for Basildon and Billericay. It will be no surprise to hon. Members who have listened to my contributions to hear that I should like to see clarity of provider ownership on bills. At the moment, individual consumers are being misled by their failure to understand which parent company owns particular providers. I accept and endorse my hon. Friend's comments that new clause 19 is a way forward. It addresses the additional information that should be supplied by energy suppliers on bills and I hope that the Government will support it. It is supported by Which?—an organisation that self-evidently works on behalf of individual constituents and consumers—and a number of other organisations that are greatly to be credited. Anything that ensures that a generic signposting message is displayed prominently on all customers' energy bills, detailing how they might reduce those bills, should go ahead. We should ensure that such messages are on bills. Indeed, I go further in saying that it would be of great benefit if something were supplied on that issue this year, although I accept that it might be difficult to do that by 1 December given the bureaucracy involved.

I should like to have seen a further subsection added to new clause 19—it is to my detriment that I failed to table an amendment to it—that would have touched on clarity of ownership, but perhaps we can return to that after the OFT has produced its report, when we know what it says about the role of DCC Energy.

I support the Bill and the green deal. The constituency that I represent and the whole of Northumberland is well behind the green deal and the objectives that it seeks to achieve.

Albert Owen: It is a pleasure to follow the hon. Member for Hexham (Guy Opperman). I welcome him back to the House. He is in good campaigning mode on fuel poverty and off-grid fuels in peripheral areas of the United Kingdom. I support new clause 1 and the other Opposition new clauses and amendments, but I shall limit my remarks to new clause 19, tabled by the hon. Member for Basildon and Billericay (Mr Baron). He highlighted in his opening remarks how important energy issues are to households and how the price hike of recent months and the trend that is forming are hurting every household in the United Kingdom. That is something that we need to address.

Good measures have been taken by previous Governments and, indeed, this Government with social tariffs, but the market simply does not work for many people. The price hikes are unsustainable, hurting and causing fuel poverty across the country. I welcome new clause 19 when it talks about clarity and simplifying bills, so that people have ready information.

I am glad that the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker) is still on the Front Bench. He is on record as saying that he was so confused by the information available when he tried to switch supplier that he just gave up. I am in the same league as him. Energy companies deliberately give so much information to their potential consumers and customers that they do not bother.

[Albert Owen]

I am a member of the Select Committee on Energy and Climate Change. We have held a number of inquiries and a mini-inquiry when price rises were announced just before the recess. We took evidence from three of the big six companies. There has been a review and there will be further reviews of energy pricing and tariffs and how the companies present their bills. It was interesting that 40% of those who decide to switch supplier are no better off when they do so, and many of them do so under duress; they switch just to get rid of cold-callers. So it is important that we have such a clause as well as other legislation and regulations that allow individuals to have clear and concise bills, so that they can make clear and concise choices and, we hope, reduce their energy prices, thereby reducing fuel poverty.

We will extend the retail market inquiry being undertaken by the Department of Energy and Climate Change to find out more from experts, including consumer groups, which have been helpful. I join hon. Members in putting on record my appreciation of the work done by consumer groups, such as Which?, Consumer Focus and Citizens Advice, in helping to frame proper protection guidelines for energy consumers.

The confusion needs to be addressed, and new clause 19 would go some way to doing so. When I intervened on the hon. Member for Basildon and Billericay to ask whether he would expect the measure to be extended to people off-grid and not on the mains, he said that he would. Of course, such an extension would be difficult because, as has been said in the previous contribution, the off-grid is not a regulated market. I am not sure—I am willing to take an intervention—how he envisages that independent suppliers would do what would be required of the big six, with dual tariffs and so on. Obviously, people without gas supplies cannot get the dual tariffs or other reductions that many people have.

Mr Baron: I think I said that subsection (c) of new clause 19 calls for research to choose the best message and consider how to communicate it. I envisage that we could at the very least consider that issue, without making any promises, when subsection (c) was triggered.

Albert Owen: I am grateful to the hon. Gentleman for the spirit in which he made his intervention. However, I think that that would be difficult. For some time, I have suggested—the Bill may not be exactly the right place to deal with this, but the electricity market reform White Paper is looking at it—that the regulator should look after people who are off-grid so that they have the same protection and rights as others. As has been said on numerous occasions, people in hard-to-reach areas on the periphery have the greatest need and are in the greatest fuel poverty. They are often off the mains, so they need equal if not better protection than people with access to mains gas and electricity.

5.30 pm

Mr Weir: I very much agree with the hon. Gentleman. I, too, have called for those changes. Earlier, I was trying to make the point that new clause 19 will not help those people at all because there are no tariffs in that market: there is a set price for the oil that they buy. One of my constituents told me that last winter the supplier would not quote them a price. They had to buy the oil, paying the price set on the day of delivery, as prices were volatile. Unlike gas and electricity consumers, they do not receive a bill so that they can look at those things; they are given a price, and so much oil is delivered.

Albert Owen: The hon. Gentleman is absolutely right, which is why those people need greater protection. The Office of Fair Trading is undertaking a review, and I hope that, rather than just refer something to the Competition Commission, it will come up with proposals and take action. I hope—and I know that the Minister is listening, because this is a serious issue—that people who are off-grid receive better protection in future. I shall certainly work with the Government—and I know that the Select Committee on Energy and Climate Change will do so, too—and help them to try to reach those people.

The hon. Gentleman made an important point about the contracts and the sums that individuals have to pay. The hon. Member for Hexham touched on that. I have received anecdotal evidence from my constituents that, during the big freeze in December last year, an individual in an isolated hamlet applied to have their tank filled up. They were told that they could have only half the amount that they usually received, and they were charged 50p a litre. Six weeks later, the company came to replenish the tank, and charged them 70p a litre. Members up and down the country will be familiar with such examples. Those people are suffering real hardship and are in fuel poverty, which is why we should all work together to ensure that people who are off-grid receive the proper protection afforded to those on the gas and electricity mains.

The new clause is a good measure, and we are moving towards clearer bills that include such information: informed people can make informed choices, as I have said. We need that information, and the choice of suppliers should extend beyond the big six. That has been mentioned, and the Government and Ofgem are looking at it. The proposal has cross-party support, because the monopoly enjoyed by the six companies that generate 80% of electricity and gas yet supply 99% of consumers does not produce a fair market. That is why we need intervention and tighter regulations, to achieve the outcome that we all want to achieve: price stability and clarity, so that people know from their bills what percentage of what they pay is going to fund energy efficiency measures, and what percentage is used for external measures such as transmission and so on. Transmission has not been discussed at great length, and it is ironic that people who live at the periphery of the United Kingdom, in areas that generate much of the electricity that goes to the grid, pay more for their electricity and gas than people in other areas.

Tessa Munt: I cannot resist the opportunity to discuss transmission. Does the hon. Gentleman agree that, in fact, the costs of modernising electricity transmission are minimal compared with the increased prices charged by electricity and gas companies?

Albert Owen: Absolutely. To be fair to the national grid, as part of our inquiry into the market, we went to see the National Grid Company which, for the first

time, is offering choices and options in transmission, such as underground, overground and subsea. I agree that these hikes are ripping people off. They want choices and if they choose underground and it costs more in certain areas, we might have to consider paying more for it, but at the moment we are getting a poor deal when we have the minimum upgrade to the transmission lines and the infrastructure, and are paying the maximum amount through our bills. That balance needs to be addressed.

I realise that time is of the essence, but in closing I want to highlight the point about off-grid so that all households in the UK are treated equally. We need to ensure that we have a level playing field for people in peripheral areas as well as in large towns and cities when it comes to the green deal and paying for electricity and gas. I am sure that there is consensus on this and we need to move forward.

I congratulate the hon. Member for Basildon and Billericay on raising this important point about simplicity, the changing of the tariffs and how we can get a better deal for all those whom we represent, because at the moment they are being ripped off.

Gregory Barker: I shall speak to all the amendments tabled by the Opposition and Back-Bench Members in this group. The first important cluster of amendments covers the green deal. I thank hon. Members for all the amendments and the opportunity, even where we have not agreed, to debate a set of issues that are of particular significance to all our constituents. As we look towards the winter, people will be looking to us for leadership on the important issues of our energy bills and energy efficiency.

I start with amendment 1, tabled by the hon. Members for Ogmore (Huw Irranca-Davies) and for Liverpool, Wavertree (Luciana Berger), and new clauses 1 and 2, also tabled by the hon. Members and by the hon. Member for Rutherglen and Hamilton West (Tom Greatrex). The amendments might appear to duplicate existing legislation, but they raise important issues. On our aims for meeting carbon budgets and tackling fuel poverty, legislation already exists to compel this, as the amendments highlight. There is no doubt about the coalition Government's commitment to both those issues, and we have already met our first and second carbon budgets and published our strategy for the third. We will be publishing our strategy for meeting the fourth carbon budget in the 2020s this autumn.

As I have said, the green deal and the ECO must be seen in the context of our overarching carbon budgets. The amendments tabled by the hon. Member for Southampton, Test (Dr Whitehead) emphasise the importance of taking a broad view to maximise cost-effectiveness. Our strategy will set out the role played by the green deal and the ECO in support of the green deal. We have already committed to report to Parliament specifically on this.

The Climate Change Act 2008 already obliges us to justify any shortfall and to take action to address it. Likewise, the Act also enables the Committee on Climate Change to provide advice, which I will come to later. This aim commits the Government to ensure household energy efficiency makes a fair and appropriate contribution to delivering our existing legally binding carbon budgets. We will report each year on what our energy efficiency policies are delivering and to what extent they contribute to the carbon budgets. It will be clear to all who wish to challenge us if our policies are underperforming. That is already in the Climate Change Act or in the Bill.

Only English households are covered because energy efficiency is a devolved matter. It is not for the UK Government to dictate the ambitions of the Government of Scotland and the Welsh Assembly, but we are working in tandem with devolved Administrations, and I have been pleased with the way in which, particularly at official level, but also at a political level, there has been real agreement. We are definitely heading together in the right direction.

Amendments 9 to 12, tabled by the hon. Member for Southampton, Test, relate to energy efficiency in a broader sense. I certainly support the principle behind them. He is right to say that successive Governments have ignored at their own expense—or rather, at ours—the compelling argument in favour of energy efficiency improvements before leaping to build new generation capacity, and they have failed to pick up the money available from energy efficiency action on the ground. Energy efficiency within that spectrum of measures must always focus on the most cost-effective savings. Cost-effectiveness is enshrined in policy making within the coalition, and all existing energy efficiency policies come with impact assessments for that purpose. The costs and benefits for UK plc are always in the foreground, not stuffed into the small print. It is for this reason that we propose the green deal as a market mechanism. We will publish an updated impact assessment of the green deal and the ECO, along with a consultation and full details of the secondary regulation, next month.

I assure the hon. Gentleman, who has a substantial record of campaigning and contributing to serious debate on energy efficiency, that it is something my Department now takes far more seriously. We are not just using words to show this, and it goes beyond the green deal. The green deal is clearly a radical, ambitious and key part of our efforts and a flagship policy of which we are extremely proud, but it is certainly not the end of the story. We will establish by the end of the year a new energy efficiency deployment office to deliver energy efficiency; it will sit within the Department alongside the office for renewable energy deployment and the office for nuclear energy deployment, and with equal weight. For too long, and for some extraordinary reason, while successive Governments have exalted the building of new energy generation capacity, energy efficiency, when not ignored altogether, has been dispersed around the Department. It will now have its rightful place in the Department's hierarchy of actions and priorities.

I am happy to meet hon. Members privately to explain in detail our plans for bringing together the energy efficiency deployment office. It will not only be a first for the UK, but set a precedent around the world. In the international forums I attend, I have found real interest in what we are doing. We are looking at new market models that have not been tried anywhere else. We will certainly look abroad for best practice to build on, but I really think that we will come up with something that has a leading edge.

The energy efficiency deployment office will be tasked with identifying ways of driving further carbon abatement across the economy, which the hon. Gentleman seeks in his amendment, and learning from best practice in

[Gregory Barker]

other countries. At the heart of its mission, as expressed in the amendment, will be analysing the cost-effectiveness of energy efficiency and energy generation, and it will have the resources to do that. We are recruiting the senior staff with appropriate experience to drive that effort. I hope that that satisfies him and that he is content not to press his amendment to a vote.

The amendments also raise the important matter of the role of non-domestic buildings in the green deal. I assure the House that, as I have said on many occasions, the green deal is an opportunity not only for homes and households, but for businesses and communities. There will be more detail in the consultation document, which we intend to publish next month, about how the green deal will be tailored for non-domestic—invariably business—customers. The UK's building stock is a key sector of our annual carbon reporting, so the green deal's contribution to both domestic and non-domestic buildings will be covered. I take the green deal's contribution to our carbon budgets very seriously, which is why I tabled an amendment in Committee to include in the Bill that reporting commitment, as many stakeholders and other members of the Committee suggested.

5.45 pm

In Committee we discussed at great length local authority carbon emissions and the role that local authorities have to play in producing and taking ownership of plans to reduce carbon emissions in their area. Hon. Members' proposed changes—new clauses 3 and 4, tabled by the hon. Members for Ogmore, for Liverpool, Wavertree and for Rutherglen and Hamilton West, and amendment 21, tabled by the hon. Member for Gower (Martin Caton)—deal with the role of local authorities in tackling climate change, and I cannot agree more wholeheartedly that they have a key role to play if we are to meet our national carbon reduction targets and to maximise the benefits of, for example, the green deal.

During our debates in Committee I spoke about how we are working with local government, and since then I have had more opportunity to see at first hand the considerable enthusiasm among many local authorities to engage with the climate change agenda, as demonstrated in the memorandum of understanding between my Department and the Local Government Group. I am delighted that under that MOU a new Nottingham declaration on climate change is being consulted on and is planned for publication this autumn. It demonstrates that councils are able to take the lead without central Government diktat.

We have already announced our intention to retain the Home Energy Conservation Act 1995 in England, providing a mechanism already on the statute book to encourage councils to play a key role, to keep track of their progress and to take action when they fail to step up to the mark. Much of the effectiveness of the 1995 Act will lie in the new guidance that we provide. That will give us the opportunity not only to work with the grain of voluntary activity, with the enthusiasm that we see and with the work that is already under way, but, where appropriate, to focus councils on some of the specific—perhaps new—areas that the proposed changes to the Bill cover.

Lyn Brown (West Ham) (Lab): I have been listening very carefully to the Minister, but I do not quite get how we will measure that, in order to ensure that we are successful.

Gregory Barker: As the Bill Committee and, in particular, the Chairman of the Environmental Audit Committee suggested I do, I have already met Lord Turner of Ecchinswell and the Committee on Climate Change to discuss how it might inform the guidance that the Government are preparing to help local authorities cut carbon emission in their areas. I expect that the framework and the guidance that the CCC provides will help to answer, at least in part, the hon. Lady's question. I expect a formal proposal from the CCC shortly; when we met, Lord Turner certainly took on board how crucial it is that the Committee's advice be completed early next year, so as to feed into the permissive guidance for local authorities being developed by the Department for Communities and Local Government.

Barry Gardiner: Will the Minister undertake to make Lord Turner's advice available to Members who sat on the Bill Committee and, indeed, to my hon. Friend the Member for West Ham (Lyn Brown), so that we might see exactly how it will operate?

Gregory Barker: I am very happy to do so. Indeed, I am sure that Members will have further ideas on how to build up the advice that we give local authorities. Given that it will go to councils of every political party, it is important that it is seen to be thoroughly objective, so a sense of co-ownership would indeed be very helpful.

New clauses 7 and 18 and amendment 24 deal with the ECO and fuel poverty. The hon. Member for Brighton, Pavilion (Caroline Lucas), who tabled new clause 7, may recall what I said in Committee in response to a similar amendment: that the Treasury is responsible for the allocation of public funds. Putting a duty on the Secretary of State to report on potential uses of central Government revenues would, I am afraid, conflict with the Treasury's responsibility. I assure her, however, that the Government are taking great care to ensure that their policies in the round will be up to the task of delivering our climate change and fuel poverty objectives. The ECO is a key part of this, and we will make sure that it has the right level of ambition to achieve our goals without putting an unduly heavy or inequitable burden on energy bills. On that basis, I hope that the hon. Lady will not press the amendment.

Amendment 24, tabled by the hon. Members for Liverpool, Wavertree and for Ogmore, and new clause 18, tabled by the hon. Member for Brighton, Pavilion, focus on data sharing. Although I understand the intent of the proposal, we do not need it now because the existing warm home discount scheme will provide the six major energy suppliers with the details of more than 600,000 older poorer pensioners this winter and information on thousands of further customers over each of the three subsequent years. That information will be used to provide a £120 rebate this winter to those customers, but it can also be used to provide the customers with additional advice, including information about the ECO. Additional powers for further data sharing are therefore not necessary at this time.

The forthcoming ECO consultation will report on the likely impacts of the policy, as will the accompanying impact assessment. The type of statutory duty that amendment 24 would introduce is not necessary for the purpose of showing the intended impact that the ECO will have on fuel poverty and the energy efficiency of properties. I can therefore assure the hon. Members for Liverpool, Wavertree and for Ogmore that the intentions of the amendment are already met in full.

Amendments 2 to 8, 19, 47 and 48 deal with the private rented sector provisions. These were tabled by the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith), the hon. Members for Manchester, Withington (Mr Leech), for Brighton, Pavilion, for Leeds North West (Greg Mulholland), for Foyle (Mark Durkan), for Liverpool, Wavertree and for Ogmore, and my hon. Friend the Member for Hove (Mike Weatherley). Amendments 6, 7, 19, 47 and 48 relate to timing issues, and I will consider those first, albeit briefly.

As we debated in Committee, we are providing landlords with a firm legislative position. The tenants' energy efficiency regulations must come into force no later than 1 April 2016. Under those regulations, tenants will be able to ask for consent from their landlord to make relevant energy efficiency improvements such as those funded under the green deal or ECO, and their requests cannot be unreasonably refused. Amendments 7 and 48 propose that the regulations on tenants' right to request should be introduced sooner, but as well as regulatory certainty, we need to provide landlords with a reasonable period in which to prepare and get up to speed with the regulations. The dates we have chosen strike a balance between pursuing greater energy efficiency benefits and giving landlords time to prepare.

I draw the House's attention to the latest survey, published this week, which clearly shows that two thirds of landlords are keen to act and take up the green deal, and that only a relatively small minority—fewer than 20%—are dragging their feet. There are grounds to be optimistic that landlords are not resisting this agenda. We have set the dates of 2016 and, as a backstop, 2018, but I cannot reiterate strongly enough—

Luciana Berger *rose—*

Gregory Barker: I will not give way, because I have to get through these points.

The backstop is 2018—the point at which we must cross the finishing line. Clearly, in the five years to 2018, from the point at which the green deal goes live, it will be up to the Government to monitor progress in the private rented sector. If we see that there is not a significant glide path towards being able to complete by 2018, it remains to us to take further measures and actions, and we will. *[Interruption.]* If the hon. Member for Brent North (Barry Gardiner) had been in the Committee, he would know that we will have available an improved online register that is much better than the existing data facilities. We will have the information, we will monitor it carefully, and we certainly see the 2018 date as the end line and reserve the right to introduce new powers, measures, regulations and incentives to drive uptake if we do not see it happening.

Amendment 4 considers the implementation of the minimum standard. The principle behind the amendment is that all F and G-rated properties should be brought up to the minimum standard, regardless of how much of the work can be funded through the green deal. However, the regulations come with safeguards. We do not want our regulations to have an adverse impact on the supply of properties in the private rented sector. For that reason, we remain committed to ensuring that *there are no up-front costs for landlords.* Landlords will either have to reach an E rating or carry out the maximum package of measures funded under the green deal and the ECO, even if that does not take them above an F rating.

My hon. Friend the Member for Hexham (Guy Opperman) raised a very important point. The Government hear and share the concerns that he expressed so eloquently. We were so concerned by the problems in the domestic heating oil sector last winter that the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for Wealden (Charles Hendry), asked the Office of Fair Trading to undertake an urgent assessment of the whole off-grid sector. I am pleased to say that it has already taken action to ensure that price comparison websites are genuinely independent. We look forward to its final report next month so that we can see what further steps may be necessary ahead of this winter and ensure that there is proper and effective competition in this important sector, where customers consistently get a very raw deal. The Minister of State is absolutely determined to drive home the agenda that my hon. Friend the Member for Hexham articulated so well.

I turn now to the points raised by my hon. Friend the Member for Basildon and Billericay (Mr Baron) and his new clause 19. This is an area in which he has considerable knowledge and I place on record my thanks to him for taking up the challenge of chairing the consumer billing stakeholder group, which has provided invaluable advice to the Government and has helped to drive forward the aim enshrined in clause 74 of providing consumers with additional information about their suppliers' cheaper tariffs. My hon. Friend makes the good point that we should seek to provide consumers with helpful, clear information at the earliest opportunity, and that we should build on that through research informed by consumer groups and consumer responses. His new clause would put a set of specific implementation actions in the Bill.

As my hon. Friend is aware, because he has been essential to the steps that the Department is taking, we are on exactly the same page as him on identifying what needs to be done to give the consumer the best possible information. This winter we are doing what can reasonably be achieved, with a clear signpost on bills that will start going out in the next few weeks. There will then be an urgent communication—a letter in most cases—advising consumers of the advantages of switching. I greatly welcome the suggestion that that campaign be backed by consumer groups such as Which? and Consumer Focus to encourage a better take-up than sometimes results from similar mail. We are awaiting the recommendations of the retail market review. If we judge that it does not go far enough, we will look to go further and we have the back-stop of being able to legislate. I have conveyed clearly to the energy companies what we expect and that we will not hesitate to legislate if they do not come to a voluntary agreement.

Mr Baron: In short, does the Minister accept the three recommendations of the billing stakeholder group, which are contained in new clause 19? I accept that we do not need to press the matter and put them in the Bill.

Gregory Barker: I broadly support those recommendations, although we might have to address some of the detail, such as the nature of the communication. We want to ensure that we have the best possible advice. However, I am happy to confirm that we are on exactly the same page in broadly supporting the three recommendations my hon. Friend has made.

In summary, although I am sympathetic to the well intentioned principles behind many of the amendments, and I apologise if I have been unable to speak in detail to some of them, I hope that the hon. Members for Liverpool, Wavertree, for Ogmore, for Rutherglen and Hamilton West, for Southampton, Test, for Brighton, Pavilion, and for Gower, and my hon. Friend the Member for Basildon and Billericay, have found my reassurances, explanations and commitments satisfactory, and that they consider not pressing their proposals to a Division, given that we have moved a long way since the Bill was first published—

6 pm

Debate interrupted (Programme Order, 10 May).

The Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

The House divided: Ayes 229, Noes 300.

Division No. 351] **[6 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donaldson, rh Mr Jeffrey M.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Fitzpatrick, Jim
Flello, Robert
Flynn, Paul
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hepburn, Mr Stephen
Hermon, Lady
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka

Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lilian Greenwood and Mr David Anderson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Neil
Carswell, Mr Douglas
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Huppert, Dr Julian
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lidington, rh Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Paisley, Ian
Patel, Priti
Penning, Mike
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Poulter, Dr Daniel
Pugh, John
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, David
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond

Swinson, Jo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Jeremy Wright and Mark Hunter

Question accordingly negatived.

Mr Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 1

GREEN DEAL PLANS

Amendment made: 29, page 2, line 29, at end insert—

', and

(d) recovered and held by the relevant energy supplier as agent and trustee for the person who made the improvements (unless the relevant energy supplier is also that person).'.—*(Chris Huhne.)*

Clause 3

FRAMEWORK REGULATIONS

Amendment made: 30, page 4, line 41, at end insert—

'(ea) requiring green deal assessors to act with impartiality;'.—*(Chris Huhne.)*

Clause 8

CONFIRMATION OF PLAN

Amendment made: 31, page 8, line 35, leave out from 'takes' to 'in' in line 36 and insert—

'one or more of the following actions as required by the framework regulations'.—*(Chris Huhne.)*

Clause 12

DISCLOSURE OF GREEN DEAL PLAN ETC IN CONNECTION WITH SALE OR LETTING OUT

Amendments made: 32, page 10, line 32, after 'must' insert—

', in relation to the document, or each document, required to be produced or updated as mentioned in section 8(4)'.

Amendment 33, page 10, line 33, leave out from 'document' to 'has' and insert—

'or, if the requirement to produce or update the document'.—*(Chris Huhne.)*

Clause 13

DISCLOSURE OF GREEN DEAL PLAN IN CONNECTION WITH OTHER TRANSACTIONS ETC

Amendment made: 34, page 11, line 22, leave out from 'obtain' to 'has' and insert—

'a document required to be produced or updated as mentioned in section8(4) or, if the requirement to produce or update such a document'.—*(Chris Huhne.)*

Clause 21

POWERS UNDER SECTIONS 17 TO 20: CONSULTATION

Amendment made: 35, page 17, line 11, leave out subsection (2).—*(Chris Huhne.)*

Clause 39

REGULATIONS AND ORDERS

Amendment made: 36, page 26, line 32, leave out subsection (14).—*(Chris Huhne.)*

Clause 42

DOMESTIC ENERGY EFFICIENT REGULATIONS

Amendment proposed: 4, page 28, line 7, at end insert

'such that the property shall not fall below the level of energy efficiency specified in subsection (1)(c).'.—*(Mr Leech.)*

Question put, That the amendment be made.

The House divided: Ayes 128, Noes 278.

Division No. 352] **[6.18 pm**

AYES

Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Beckett, rh Margaret
Benn, rh Hilary
Blackman-Woods, Roberta
Blenkinsop, Tom
Brennan, Kevin
Brooke, Annette
Brown, rh Mr Nicholas
Burden, Richard
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Creasy, Stella
Crockart, Mike
Cruddas, Jon
Curran, Margaret
Dakin, Nic
Davidson, Mr Ian
Dobbin, Jim
Dobson, rh Frank
Donaldson, rh Mr Jeffrey M.
Doran, Mr Frank
Dowd, Jim
Dromey, Jack
Dugher, Michael
Edwards, Jonathan
Efford, Clive
Ellman, Mrs Louise
Esterson, Bill
Flynn, Paul
Foster, rh Mr Don
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Greatrex, Tom
Green, Kate
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hancock, Mr Mike
Harman, rh Ms Harriet
Havard, Mr Dai
Henderson, Gordon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Huppert, Dr Julian
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jones, Helen

Jones, Susan Elan
Joyce, Eric
Lavery, Ian
Lazarowicz, Mark
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
MacNeil, Mr Angus Brendan
Mann, John
McCann, Mr Michael
McCarthy, Kerry
McDonnell, Dr Alasdair
McDonnell, John
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Mitchell, Austin
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mulholland, Greg
Munn, Meg
Murray, Ian
O'Donnell, Fiona
Pearce, Teresa
Perkins, Toby
Pugh, John
Qureshi, Yasmin
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Robertson, Angus
Rogerson, Dan
Rotheram, Steve
Roy, Lindsay
Sarwar, Anas
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Smith, rh Mr Andrew
Smith, Nick
Smith, Owen
Stringer, Graham
Sutcliffe, Mr Gerry
Swales, Ian
Thornberry, Emily
Twigg, Derek
Walley, Joan
Ward, Mr David
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williams, Mr Mark
Williams, Stephen
Winnick, Mr David
Wishart, Pete
Wood, Mike

Tellers for the Ayes:
Mr John Leech and Tessa Munt

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Lidington, rh Mr David
Lloyd, Stephen
Lopresti, Jack
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mundell, rh David
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Patel, Priti
Penning, Mike
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Poulter, Dr Daniel
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robertson, Hugh
Robertson, Mr Laurence
Rosindell, Andrew

Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Soames, rh Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swayne, rh Mr Desmond
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Simon
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Jeremy Wright and
Mr Robert Goodwill

Question accordingly negatived.

Amendment proposed: 47, page 28, line 33, leave out 'April 2018' and insert 'January 2016'.—*(Luciana Berger.)*

Question put, That the amendment be made.

The House divided: Ayes 219, Noes 281.

Division No. 353] **[6.31 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Fitzpatrick, Jim
Flello, Robert
Flynn, Paul
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goodman, Helen
Greatrex, Tom
Green, Kate
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Healey, rh John
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Hunt, Tristram
Irranca-Davies, Huw
Jamieson, Cathy
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Leech, Mr John
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Love, Mr Andrew
Lucas, Caroline
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGuire, rh Mrs Anne
McKechin, Ann
McKenzie, Mr Iain
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Pugh, John
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Rogerson, Dan
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sanders, Mr Adrian
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stuart, Ms Gisela

Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watts, Mr Dave
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lilian Greenwood and Mr David Anderson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Lidington, rh Mr David
Lloyd, Stephen
Lopresti, Jack
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Patel, Priti
Penning, Mike
Percy, Andrew
Phillips, Stephen
Poulter, Dr Daniel
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robertson, Hugh
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Soames, rh Nicholas
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew

Uppal, Paul	Wiggin, Bill
Vaizey, Mr Edward	Willetts, rh Mr David
Vara, Mr Shailesh	Williams, Mr Mark
Vickers, Martin	Williams, Roger
Villiers, rh Mrs Theresa	Williams, Stephen
Walker, Mr Charles	Williamson, Gavin
Walker, Mr Robin	Willott, Jenny
Wallace, Mr Ben	Wilson, Mr Rob
Walter, Mr Robert	Wollaston, Dr Sarah
Ward, Mr David	Wright, Simon
Watkinson, Angela	Yeo, Mr Tim
Weatherley, Mike	Young, rh Sir George
Webb, Steve	Zahawi, Nadhim
Wharton, James	
White, Chris	**Tellers for the Noes:**
Whittaker, Craig	**Mark Hunter and**
Whittingdale, Mr John	**Jeremy Wright**

Question accordingly negatived.

Clause 76

POWER TO MODIFY ENERGY SUPPLY LICENCES: PROCEDURE AND SUPPLEMENTAL

Amendment made: 37, page 57, line 15, leave out subsection (2).—*(Chris Huhne.)*

Clause 80

POWER OF THE GAS AND ELECTRICITY MARKETS AUTHORITY TO DIRECT A MODIFICATION OF THE UNIFORM NETWORK CODE

Amendment made: 38, page 61, line 5, leave out from 'consultation' to 'the' in line 6 and insert 'before, as well as consultation after,'.—*(Chris Huhne.)*

Clause 97

MODIFICATION OF PARTICULAR OR STANDARD CONDITIONS

Amendment made: 39, page 79, line 7, leave out subsection (4).—*(Chris Huhne.)*

Clause 117

COMMENCEMENT

Amendments made: 40, page 95, line 32, at end insert—

'(ia) section *[Agreement about modifying decommissioning programme]* (agreement about modifying decommissioning programme)'.

Amendment 41, page 95, line 34, at end insert—

'(ja) section *[Adjustment of electricity transmission charges]* (adjustment of electricity transmission charges);'.

Amendment 42, page 95, line 44, leave out first 'section' and insert 'sections [*Consultation*] and'.—*(Chris Huhne.)*

Schedule 3

REPEALS AND REVOCATIONS CONSEQUENTIAL ON SECTION 115

Amendment made: 43, page 101, line 5, leave out Schedule 3.—*(Chris Huhne.)*

Title

Amendment made: 44, line 12 leave out 'by a National Park authority or the Broads Authority'.—*(Chris Huhne.)*

Barry Gardiner: On a point of order, Mr Speaker. Have you received a request from a Treasury Minister to make an urgent statement to the House about the news that the Treasury is about to sue the European Central Bank, as that is being reported in the media at the moment?

Mr Speaker: No, I have not. The hon. Gentleman is ahead of me. He has heard of information of which I have not heard. I have, however, now heard of it, and I am grateful to him.

Third Reading

Queen's and Prince of Wales's consent signified.

6.44 pm

The Secretary of State for Energy and Climate Change (Chris Huhne): I beg to move, That the Bill be now read the Third time.

I begin by thanking the many hon. Members who have contributed so much to the discussions on the Bill. The hon. Members for Hackney South and Shoreditch (Meg Hillier), for Liverpool, Wavertree (Luciana Berger), for Ogmore (Huw Irranca-Davies), for Rutherglen and Hamilton West (Tom Greatrex), for Blaydon (Mr Anderson), for Hyndburn (Graham Jones), for Wansbeck (Ian Lavery) and for Southampton, Test (Dr Whitehead), who is my constituency neighbour, put a lot of work into the Bill during its lengthy consideration in Committee. I extend my thanks to the hon. Member for Bolton North East (Mr Crausby) and my hon. Friend the Member for Gainsborough (Mr Leigh) for chairing the Bill Committee, and to the hon. Member for Brighton, Pavilion (Caroline Lucas), who worked tirelessly and made a substantial contribution to the debate, for which I am extremely grateful.

On the Government Benches, I should like to extend my gratitude to the hon. Members for Richmond Park (Zac Goldsmith), for Mid Norfolk (George Freeman), for Stourbridge (Margot James), for Devizes (Claire Perry), for Winchester (Mr Brine), and for Stratford-on-Avon (Nadhim Zahawi), and to my hon. Friends the Members for Norwich South (Simon Wright) and for Wells (Tessa Munt), for the dedication that they have shown in scrutinising the Bill in its passage through the House. I also thank my officials, who have worked extremely hard to develop the Bill and who helped Members with their inquiries.

The centrepiece of the Bill is the green deal, an innovative finance mechanism to release capital for energy efficiency. The green deal is the first measure of its kind anywhere in the world, and it allows a payback to investors over long periods beyond the normal tenancy or period of owner-occupation, so that householders do not have to pay any of the cost up front, and much more energy saving becomes affordable. It creates a new market in energy saving that will cut energy bills, ensure against future price rises, provide local jobs, boost green businesses and improve our nation's energy security. We have worked hard to allow hon. Members to scrutinise the provisions in detail, and I believe that the proposal has been strengthened.

Mr William Cash (Stone) (Con): Does the Secretary of State accept that wind farms have generated serious concerns all over the country? Does he accept, too, regarding his proposition on the value of the Bill, that the consumer tariff in fact pays significantly for the destruction of the countryside?

Chris Huhne: I am grateful to the hon. Gentleman for his intervention. The bulk of the Bill is about energy efficiency and energy saving, which means that we will need fewer types of electricity generation of all descriptions, including windmills. I disagree with him, as I think that windmills are beautiful and we should have a lot more of them. They provide the most economical form of renewable energy, and I trust that he will come up with ideas for many more windmills in and around his constituency.

There are provisions in the Bill for a new energy company obligation, or ECO, which is critical for delivering carbon savings in homes that are hard to treat. It will protect the most vulnerable groups and those on the lowest incomes, focusing on households that cannot afford to heat their homes adequately. The provisions relating to the private rental sector are a significant step forward. They are designed to increase efficiency to protect tenants in some of the worst housing and to boost overall carbon savings.

The Bill contains a number of provisions relating to energy markets and infrastructure. It ensures that I will have sufficient information to publish an assessment of future electricity capacity requirements, and that I have a duty to do so. That sits alongside the much more significant package of reforms covered in the electricity market reform White Paper. To improve security of supply, the Bill contains powers that, if taken, will give incentives to gas providers to continue to supply their customers, should Britain suffer its first gas supply emergency. Through this Bill, we will be able to de-designate areas of our continental shelf—a small but important amendment to the existing legal situation. Should negotiations between industry players over access to infrastructure in the North sea break down, the Bill gives us the ability to intervene and work to find a resolution, so that our energy security will not suffer.

The Bill contains powers to ensure that the interests of consumers are paramount. For example, we have taken powers to oblige suppliers to specify whether a cheaper tariff is available.

Mr Baron: On that issue, may I congratulate the Secretary of State and the Government on accepting the recommendations of the billing stakeholder group and, indeed, the need for a letter, where appropriate, provided that it is supported by a campaign by Which? and others, to make consumers aware of the cheapest tariffs? However, does he share my view, and that of the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for Bexhill and Battle (Gregory Barker), that Ofgem should publish its findings from the consultation on the retail market review before Christmas this year?

Chris Huhne: I am grateful to my hon. Friend for his intervention. The ministerial team is pressing Ofgem to move further and faster as quickly as possible on all of this, and I very much hope that it will be able to come forward with conclusions before Christmas. Clearly we are then getting into the period before the highest energy bills, and it is important that consumers should have access to that information and to those potential safeguards. I will certainly be pressing Ofgem to do that.

These measures are accompanied by a number of minor yet vital provisions in the Bill that we need to make to secure our supply of low-carbon energy, and I am grateful to the House and to Members in the other place for taking the time to scrutinise and contribute to the Bill. It has a substantial measure of support across the House, despite the differences that we have had. I certainly pay tribute to Opposition Members. This is one of those cases where success has many parents and, as we all know, failure is an orphan. I hope that bodes well for the success of the Bill when it comes to improving dramatically our energy efficiency.

We have here the keys that will unlock the door that stands in the way of an energy efficient and energy secure Britain, and I commend the Bill to the House.

6.51 pm

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): At last we are here at the Third Reading of a Bill that has dropped off the parliamentary agenda more often than Humpty Dumpty. In Committee, the Minister of State, Department of Energy and Climate Change, the hon. Member for Bexhill and Battle (Gregory Barker) clearly set out his ambitions for the Bill. He described the green deal as

"the centrepiece of...the coalition's ambitious plan for energy efficiency."

He went on to describe it as

"a new paradigm...the biggest home improvement project since the second world war."—[*Official Report, Energy Public Bill Committee*, 7 June 2011; c. 4-5.]

In reality, it is a bit of a disappointment; not as broken as Humpty Dumpty, but in parts as divorced from reality as a nursery rhyme. Much was promised, but little was delivered.

The delays are serious, because they mean that the green deal will fail to be delivered by October next year as planned. But we should not be surprised, because since the Secretary of State was appointed we have seen promises delayed and initiatives re-announced so often that we have lost count. Even after intense parliamentary scrutiny here and in the other place, it is still a weak Bill, which I fear will not deliver what it promises. We want the Bill to achieve its aims, but wanting is not enough. The green deal needs to work, and the Government need to now work very hard on that delivery. But the Government are swamping providers in red tape, customers in confusion and energy companies with responsibilities that many are reluctant to undertake. We should not be surprised because the Government have form on this issue in delay, dither and confusion generally on the green policy agenda.

There was so much promise. The greenest Government ever was the Prime Minister's pledge. That is the same Prime Minister who has not mentioned green issues at all since the election. In opposition, he criticised energy Bills but now sits on his hands and does nothing. The Secretary of State needs to take responsibility. He has less influence over his Department than the Chancellor of the Exchequer. It is not just the Chancellor who we

[Meg Hillier]

know has influence. We knew trouble was afoot when the Prime Minister appointed a new energy adviser, and as he arrived at No. 10, dripping with oil, the death knell of the Government's green credentials were sounded. We know this from a recently leaked memo, originally circulated to a select group of 12 trusted advisers and leaked by one of them to *The Daily Telegraph*. This shows the unease within the Conservative party ranks about the Secretary of State's performance. The memorandum from the Prime Minister's own energy adviser suggested that the Department's projections were unconvincing, so not exactly a ringing endorsement for the green deal from within the Government.

One of the real scandals of the Government's approach against a backcloth of rising prices for gas and electricity is how they are turning their back on consumers. As the temperature drops, millions will start to see their energy prices spiral out of their reach, and the green deal will not deliver this winter or even next. Those in private rented housing will have to wait until 2016, or even 2018, to see those improvements. So people will face the terrible choice between staying warm and running up debts, and turning off the heating despite plummeting temperatures. Those on pre-payment schemes will see their money run out sooner and the gas go off. Hundred of thousands will slip into fuel poverty, spending more than 10% of their household income on keeping their home at an adequate temperature. The Secretary of State cannot even persuade members of his own Government. Recent polling shows that energy prices are a top concern for the public. Within months there could be a full-scale crisis.

Caroline Lucas: I am no apologist for this Government, but I must observe that in Labour's 13 years in government CO_2 emissions went up, not down. Does that not look a little hypocritical of the hon. Lady?

Meg Hillier: We all share the mission of reducing carbon emissions, and we have all supported the Government in signing up to the fourth carbon budget, but the proof of the pudding will be in whether they can actually deliver. My sad worry is that the Bill will not deliver the home efficiency improvements it sets out. We want it to succeed, but it is a wishy-washy Bill that I fear will not meet the Secretary of State's aims. It needs further improvement. It has no strategy or plan for delivery, and there are so many unanswered questions about practical delivery, even after being debated in both Houses.

The Secretary of State has staked his reputation on this market-driven home energy efficiency model. His claim that it will transform the energy efficiency of our homes, which represent 27% of emissions nationally, and create green jobs up and down the country is melting away, as publicly and privately the expected players are very critical of it. I re-emphasise that the Opposition strongly support the aim. The original thinking behind it came from my Government when we were in power. The need to tackle domestic emissions is unarguable, and we fully support the direction of travel. It is just a crying shame that the Secretary of State, with all Whitehall's talent at his disposal, has managed to deliver a wet dishcloth of a Bill.

As five of the big six energy companies hiked their prices over the summer, it was clear that the vast majority of bill payers will face real pressure this winter. The Secretary of State's proposal was that customers should shop around for the best deal, but with companies' prices rising in line with one another, that suggestion rings hollow. The Government have abolished Warm Front before any replacement scheme has been introduced, and the new energy company obligation ushered in by the Bill leaves many questions unanswered. We pass the Bill tonight with that detail still to come.

The reality is that the Secretary of State, as a Lib Dem in a Conservative Government and distracted by other matters, now lacks the focus to get even this flagship Bill delivered in time. We still have more than 50 pieces of secondary legislation to pass, so the timetable is in serious doubt. I do not doubt his commitment to this, but the reality is that the Government as a whole are not serious about their green agenda. With friends like that in No. 10, we can have little hope that the real opportunities for growth and jobs in greening our energy supplies and helping those who are shivering under blankets will be met by the Government.

Chris Huhne: May I point out to the hon. Lady that the Government have increased the funding for vulnerable groups in fuel poverty by two thirds, compared with the Government she supported? What is her response to that?

Meg Hillier: We will wait to see whether the energy company obligation will truly deliver, because we have real doubts about it. We are yet to see the detail, and the devil will be in that detail. There are 50 pieces of secondary legislation that will flesh out that and other elements of the Bill. We will continue to work on and with the Government, as appropriate and where possible, to put flesh on this skeletal Bill, as well as on fuel poverty and affordability, on climate change and across the board in this area. If the Government fail, they will fail this generation of families this winter and every winter. They will fail future generations who will not forgive them for mistaking rhetoric and ambition for action and outcomes.

6.59 pm

Graham Jones: In these final 15 seconds, I should like to say that there are real concerns in the Bill for the poor people of this country. There is the potential for high interest rates on the loans; the pre-payment meters issue has still not been resolved; and the energy company obligation is a regressive tax, because the energy consumption differential between rich and poor will not be that great, and it is going to hit low-wage households.

On the ability to pay, we have the issue of the ECO in hard-to-treat homes, and people who are on low wages but who have the ability to pay may be excluded, so the Government have real issues to sort out there. The Bill is not clear about doorstep mis-selling, whereby vulnerable people could be taken advantage of, so the Government need to tighten up on that, and the whole private landlords issue has just been a sop to the landlords, not to the tenants. That is a real problem, because a child now aged one might be 8 years old before they get the opportunity to benefit from the green deal and from insulation, and that is of great concern. I rest my 15 seconds there.

6.59 pm

Caroline Lucas: I support the Government's intention in this Bill, but—

7 pm

Debate interrupted (Programme Order, 10 May)

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E). That the Bill be now read a Third time.

Question agreed to.

Bill accordingly read the Third time and passed, with amendments.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)).

FINANCIAL SERVICES AND MARKETS

That the draft Financial Services and Markets Act 2000 (Carrying on Regulated Activities by Way of Business) (Amendment) Order 2011, which was laid before this House on 4 July, be approved.—*(Mr Francois.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

WEIGHTS AND MEASURES

That the draft Weights and Measures (Specified Quantities) (Unwrapped Bread and Intoxicating Liquor) Order 2011, which was laid before this House on 5 July, be approved.—*(Mr Francois.)*

Question agreed to.

DRAFT FINANCIAL SERVICES BILL (JOINT COMMITTEE)

Resolved,

That this House concurs with the Lords Message of 13 September that, notwithstanding the Resolution of this House of 18 July, it be an instruction to the Joint Committee on the Financial Services Bill that it should report on the draft Bill by 16 December. (*Mr Francois.*)

DELEGATED LEGISLATION

Motion made,

That the motions in the name of Sir George Young relating to the Electoral Commission and the Local Government Boundary Commission for England shall be treated as if they related to instruments subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees) in respect of which notice has been given that the instruments be approved.—*(Mr Francois.)*

Hon. Members: Object.

PETITIONS

Dartford Crossing Tolls

7.1 pm

Gareth Johnson (Dartford) (Con): With your leave, Mr Deputy Speaker, I should like to present this petition, which is supported by almost 2,000 readers of the *Dartford Messenger* newspaper and by myself. It states:

The Petition of residents of Dartford and readers of the Dartford Messenger newspaper,

Declares that the Petitioners are opposed to any increase in tolls charged for the Dartford Crossing.

The Petitioners therefore request that the House of Commons urges the Department for Transport not to increase tolls on the Dartford Crossing and to reconsider the emergency measures to lift the barriers during severe congestion and extend the local residents discount scheme.

And the Petitioners remain, etc.

[P000960]

Great Harwood Household Waste Recycling Centre (Lancashire)

7.2 pm

Graham Jones (Hyndburn) (Lab): I should like to present this petition, on behalf of the residents of Great Harwood in Lancashire and of surrounding areas, to save the recycling centre in said town. A petition in similar terms, asking for the same action, has been signed by a number of my constituents. Great Harwood Community Action Group has gathered a petition of some 1,500 signatures; 3,000 signatures against the closure were gathered at the recycling centre prior to that; about 600 protest letters have been sent to the county council; and I personally received 84 letters of objection to the closure at the beginning of the process.

The petition states:

The Petition of residents of Great Harwood, Lancashire and others,

Declares that following Lancashire County Council's budget review and report into household waste recycling centres, there are now plans to close further recycling centres across the county; that it has been announced that Great Harwood is one of the sites that has been identified to close; and that the Petitioners believe that this will inevitably decrease recycling and increase fly-tipping in Great Harwood and the surrounding areas of Lancashire

The Petitioners therefore request that the House of Commons urges the Government to write to Lancashire County Council to ask them to reconsider the proposal to shut the Great Harwood Household Waste Recycling Centre and to keep it open, as it is a vital service to the town and surrounding areas.

And the Petitioners remain, etc.

[P000962]

Fuel Poverty

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Syms.)*

7.4 pm

John Robertson (Glasgow North West) (Lab): I am delighted to have secured this debate. I look forward to hearing the Minister's comments on the wider issues that I shall raise.

First, let me set out the current state of fuel poverty in Scotland. Fuel poverty afflicts a cross-section of society. It is determined by the percentage of one's income that is spent on energy bills: to be exact, when a household spends more than 10% per cent of its income on gas and electricity, it is deemed to be in fuel poverty. One third of Scottish households live in fuel poverty. The Scottish Government believe that, after recent energy price rises more than 900,000 Scottish households will be living in fuel poverty. I fear that we are on the edge of a fuel poverty crisis and that in the coming years that figure will reach the 1 million mark in Scotland alone.

Colder winters in the rest of the UK have not stopped the Scottish National party Administration in Edinburgh cutting the fuel poverty budget by a third, and aided by what the Tory-led Government are doing, the poor and needy are set to suffer even more in the years to come. In constituencies such as mine, as well as others, fuel poverty relates predominantly, although not exclusively, to pensioner poverty; however, many who are not pensioners —people with severe disabilities, single parents and the unemployed, to name but a few—are also in fuel poverty.

My home city of Glasgow is fairly youthful compared with other cities in Scotland, but there is a large elderly population. Among those of pensionable age, there are large pockets of severe pensioner poverty, to which my constituency is sadly not an exception and from which it suffers more than most. When I was elected to Parliament in November 2000, 80% of single pensioner households in Scotland lived on an annual income of £15,000 or less. Today that figure is 60%—admittedly less than in 2000, but still unacceptable. With 13,500 pensioner households in my constituency alone—one of the highest concentrations of pensioners in Europe—hon. Members will understand why this issue is of grave importance to me as a local MP and why I am raising it today. About 6,500 people are claiming pension credit in my constituency, which is consistently ranked 7th out of all Scottish parliamentary constituencies in that respect. My constituency has the highest proportion of single women pensioners in the entire country, and according to official figures their number will continue to rise, with over two thirds of women over 85 in Scotland projected to live alone by 2033. Glasgow North West is fast becoming—sadly for me—like the name of a recent film, "No Country for Old Men".

Because 65% of single pensioner households and about half of smaller pensioner households in Scotland were classified as fuel poor in 2009, according to official figures, making them more likely than any other type of household to be experiencing fuel poverty, my constituency casework, as hon. Members can imagine, is dominated by the issue—and rightly so. According to Scottish Government figures, almost a quarter of single pensioner households and a fifth of smaller pensioner households in Scotland are deemed to be in extreme fuel poverty, whereby they spend more than 20% of their disposable income on heating their home. In addition, 8% of pensioners in Scotland live in absolute poverty and one in 10 over-65s are classed as "materially deprived". Although Scotland is one of the worst affected areas in the UK, many inner-city and rural areas elsewhere have the same severe fuel poverty status. Hon. Members will understand why I believe we are on the verge of a fuel poverty crisis.

What causes fuel poverty? To put it simply, it has three root causes: low incomes, poor housing and high energy prices. Eradicating fuel poverty will involve tackling these three problems. Improving the quality of housing stock is of paramount importance. Although big strides were taken under the previous Government through the decent homes standard, the Warm Front programme and the energy efficiency commitment to improve energy efficiency and install cost-effective heating systems in homes, more has to be done. In Scotland between 2008 and 2010, new housing supply decreased by 16%, house building decreased by 17% and public sector housing provision fell by 1%. I would like to blame the current Government for those things, but unfortunately they were not in power. In 2009, according to Scottish Government figures, new-build housing completions were at their lowest level since 1982, meaning that fewer modern, properly insulated homes are being built. In addition, people living in private sector housing in Scotland are twice as likely as those in social housing to experience extreme fuel poverty. More than a third of pensioners live in housing that is poorly insulated or reliant on expensive heating.

Housing is a devolved matter, however. In this speech, I will focus mainly on areas where the Government potentially have a direct influence. Although I will use Scotland and my constituency as examples, colleagues tell me that the situation is just as bad in many other areas of the UK. I have had to apologise to a number of Members who asked to intervene, because I would have needed hours of extra time to have a proper debate and allow them the time that they so richly deserve.

I hope that the Chancellor and the Government will focus more on the vital role of the tax and benefit system in raising the incomes of the needy. I am sure that the Minister knows that benefit entitlement checks can help to ensure that vulnerable customers are getting their fair share of the millions of pounds of unclaimed benefits. Sadly, the many inches of newsprint about the £1.5 billion-worth of benefit fraud outweigh the coverage given to unclaimed benefits. Do not get me wrong, fraud of any kind should be sought out and punished as it is the poorest who always suffer as a result, but little recognition has been given to the fact that up to £5 billion of means-tested benefits that should go to older people in the United Kingdom are unclaimed each year. I wish that the Government would apply the same gusto to chasing up the pensioners who need that money as they give to those who defraud the welfare system.

I could not discuss fuel poverty without mentioning winter fuel payments. I know that the Conservatives were latecomers to supporting winter fuel payments. I remember the Foreign Secretary, when he was leader of his party, saying that such payments were a gimmick, and I am glad that the Conservatives have now publicly declared their support for them. However, the Chancellor's decision to cut winter fuel payments to the poorest

pensioners by £100 seems a cynical and short-sighted decision in the current economic climate, with incomes falling and energy prices rising.

Anas Sarwar (Glasgow Central) (Lab): I congratulate my hon. Friend on securing this important debate. I am sure that he was in the Chamber for Scotland questions earlier today, where the figures for Glasgow were given: 100,000 pensioners face cuts to their winter fuel allowance this year, totalling £4 million, at the same time as their energy bills are rising by up to 20%. Does he share my concern that, sadly, too many pensioners in the UK will have to choose between heating their home and putting food on the table?

John Robertson: My hon. Friend and neighbour makes a very good point. I know that the Minister will say that the Government are not cutting winter fuel payments, but maintaining the level that the Labour party set in government. The fact is that each time the Labour party increased the payments because of the weather, it consolidated them the next year. Had Labour won the election, we would have expected the Government to consolidate the money given last time. That is why I feel that this Government should consolidate that money, particularly at a time when energy prices are rising and when poor people—particularly the elderly—who need the money the most will suffer the most. It is a fact that those who receive the winter fuel allowance will receive less this year than last year. The Labour Government did not do that; the Conservative Government did. They had their opportunity to consolidate the payments, but instead used them as another attack on the poor.

Energy is a major cost to everybody, but especially to people who fall into the trap of fuel poverty. Energy companies constantly remind us of increases in the wholesale costs of oil and gas and increased demand, and add that they are required to invest in modernising their industry to keep climate change commitments; they remind us less often of the Government subsidies that they get to invest in renewables, and still less often of the huge profits that they make, and of the huge profits that they made in the days of cheap oil and gas, none of which have ever been repaid to customers. After all, the profits of the big six energy companies have gone up almost a third since 2008, and payouts to shareholders increased across the board, up an incredible sixfold since 1999 in the case of Centrica, which owns British Gas.

I support renewable energy, but the delivery of clean energy has not matched the price paid by the Government. It is time that we saw a return for our taxpayers' money. The production—or lack of it—of clean energy is being used to rip off the British people, thus adding to the costs of those who can least afford them. I can compare the scale on which private energy companies have managed to privatise profits but nationalise losses only with the recent bank crisis. The energy customer in the UK—if we were totally honest, we could just call them the British taxpayer, because they are one and the same—is picking up the tab for the excesses, irresponsibility, recklessness and lack of long-term vision of the big six energy companies. Those companies—the energy barons—have managed to turn us into their 21st century serfs. The cheek of some of them knows no bounds. As I pointed out in June, ScottishPower is milking the British consumer: having recently increased energy bills in this country to record levels, it lent £800 million to its foreign sister company, which is based in the US, to keep US energy prices down. That money could have been invested in the UK, or it could have helped to keep UK prices down.

That was not even the first time that that happened. Back in 2008, ScottishPower lent £750 million directly to its Spanish parent, Iberdrola. One can assume only that that was to the benefit of Spanish energy customers. That is not the truly sickening aspect of this problem. This is the first year since 1990 when Iberdrola's US gas and electricity supply companies have raised their customers' bills. They have seen increases of 2% and 8%, but the British customer is getting hit by near-20% increases this year, and has been hit by 40% increases since 2007. That same supplier is lending money to the American company.

I believe that that is why the energy companies do not want to be fully transparent. Although extra wholesale market costs increase prices, with full transparency we might discover that market costs are not increasing prices to the extent that the price hikes would suggest. According to Bloomberg, the wholesale price for gas in autumn 2008 went above 70p per therm, compared with 59p per therm today. That shows that wholesale gas prices have actually dropped 15%. Similarly, prices in the wholesale electricity market reached £120 per MWh in autumn 2008; today, they are £51.20 per MWh—less than half the price back then.

This is not a case of energy companies being backed into a corner by market forces; it is an act of collective incompetence and ineptitude, leading to a cartel of companies backing consumers into a corner by raising prices in tandem. I therefore suggest that we break up the big six's monopoly and allow other providers to enter the energy market. I would like to see a major co-operative energy supplier and/or a big supermarket chain, such as Tesco, giving the big six some competition.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Does my hon. Friend agree not only that it would be useful if other players entered the market, but that it is important that people can understand the various tariffs? Many people on the lowest incomes find it extremely difficult to work out what is best for them. The energy companies could do more. I hope that new players would operate differently.

John Robertson: My hon. Friend makes a good point, and believe me, if I had more time I would go into it. I certainly did so in the Energy and Climate Change Committee, when we talked about tariffs and the fact that there are more than 400 of them. It is a disgrace. How is anyone supposed to understand them all?

It is odd that in 2011, I, a Labour MP, am calling upon a Tory Government to create greater competition in the marketplace, but with more companies and greater competition, I believe that costs would fall, employment would be maintained or increased and the same profits would lead to greater efficiency in the old and new companies. If we do nothing, however, just like the big banks, which were too big to fail, so too, owing to the cartel-like nature of our energy market, will these huge companies feel that there is no sanction for reckless price rises, and only disaster and a big bill will await the taxpayer. I strongly suspect that the true reason for the

[John Robertson]

price rises is the gross failure of the companies to stockpile their energy reserves to hedge adequately against future price rises. Their error is our loss. There might be numerous reasons for the current situation, including ineptitude, but although that is likely, I feel that the answer lies more in the fact that neither the Government nor Ofgem have given them any incentive.

I realise that it is not all the energy companies' fault. I believe that the regulator, Ofgem, has not helped matters by being idle. I recently publicised the £200,000-a-year salary of Lord Mogg, its chairman. I hope that the Government, who claim to want to crack down on quangos, will have an urgent word with that gentleman, who is paid more than the Prime Minister for a three-day week. He is on footballer-like wages and needs to be reminded to justify his salary. His organisation should be acting to protect hard-pressed British consumers, who on his watch are not getting a fair deal.

I know that I have quoted many facts and figures—I hope that I have not bored too many people, including the Minister—but they are not nameless and faceless to me; they represent individuals whom I have known for many years, not just as their MP, but as their neighbour and friend. That is why I have such passion for this issue. In the nature of cross-party good will, I have a few questions that I would be grateful if the Minister answered.

What does the Minister believe can be done to encourage uptake of means-tested benefits among those in our elderly population who can rightly claim them? Will he consider enforcing transparency upon the big six energy companies or asking the Competition Commission to hold an inquiry into the energy market? What does the Minister think of my suggestion of breaking up the energy companies to stop them acting like a cartel and to allow other providers into the market? What does he believe can be done to tackle fuel poverty, and what measures does he propose to alleviate its harshness this winter? What plans are in place to increase awareness among pensioners and others of the help provided this winter? Would he be interested in a cross-party energy summit, held in Westminster, bringing together energy companies and politicians? Will he ask the Chancellor to revisit the winter fuel allowance and consolidate the £100 reduction?

I thank the many groups, non-governmental organisations and colleagues who have contacted me with help and advice. To mention them all would have taken hours. Let us have the debate we need. I look forward to the Minister's reply.

7.24 pm

The Minister of State, Department of Energy and Climate Change (Gregory Barker): I congratulate the hon. Member for Glasgow North West (John Robertson) on his success in securing an Adjournment debate, particularly on the important subject of fuel poverty. He spoke at length and with great passion. Unfortunately, he has left me about nine minutes to respond to the many important points that he raised. I shall have to make a slightly shorter speech than I had intended, but if I do not cover all the salient points, I will write to the hon. Gentleman after the debate.

At a time when fuel bills are rising and we are approaching the cold months of the year, it is right to start by reaffirming the coalition's absolute commitment to helping those households in or at risk of fuel poverty. We recognise the need to help more of the most vulnerable keep their homes warm at an affordable cost. However, the state of fuel poverty in this country, which is totally unacceptable, has not occurred overnight. Fuel poverty has been rising year on year for much of the past decade, during which the hon. Gentleman's party was in government. Despite legislation designed to reverse the trend, between 2005 and 2009 the number of fuel-poor households across the UK more than doubled from 2.5 million to 5.5 million.

In England, we have seen the number rise from 1.2 million in 2004 to 4 million in 2009 and, of these, 3.2 million were vulnerable, so the elderly, families with young children and the long-term sick and disabled are among those most affected by fuel poverty. Of Scotland's 2.3 million households, in 2009 there were 770,000 households in fuel poverty, compared to 543,000 in 2005. This means that, as the hon. Gentleman said, a third of households in Scotland were in fuel poverty in 2009. In Glasgow city, which encompasses his constituency, there were 69,000 households in fuel poverty in 2009.

If we are to reverse this trend and the iniquitous and ever-increasing number of those in fuel poverty, it is clear that something big has to change. I do not doubt that the previous Government were well intentioned and had hoped to be more effective than they were, but the numbers speak for themselves. The attempts of the previous Administration were singularly unsuccessful for a number of reasons, some of which were within their control and some not. We need completely to rethink, redesign and re-engineer our policies to meet the challenge of turning around this juggernaut.

Before leaping forward with new answers, we must first make sure that we are asking ourselves the right questions. That is why we invited Professor John Hills to undertake an independent review of the fuel poverty target and definition. He has been asked to look at fuel poverty from first principles—what causes it, its effects and how best to measure it. The review is looking to ensure that in these difficult times available resources are focused where they will be most effective in tackling fuel poverty, targeting support to those who need it the most. As I said, this is an independent review so I cannot predict what will be said, but I am aware that Professor Hills is engaging with a broad range of stakeholders and we look forward to receiving his interim findings this autumn.

In the meantime, the coalition Government need to act. We have introduced the warm home discount, a scheme that spans Great Britain. This is the first year of the scheme and we will assist around 2 million households. The majority of these will be low-income pensioner households in receipt of pension credit guarantee credit only. We expect to find more than 600,000 of them and provide them with a £120 rebate on their bill. Most of these will receive a rebate without having to claim, as a result of the Department for Work and Pensions and the energy suppliers sharing their data to help to find these customers. The rebate will be a major benefit to these vulnerable people who may struggle to claim. This is part of the answer to the hon. Gentleman's question about how we start identifying such people and encouraging

them to take up the benefits to which they are entitled. The discount will increase across the four years of the scheme, rising to £140 by the fourth year. To ensure that those off the gas grid can also benefit from the scheme, the discount will be applied to household electricity bills. Other groups, such as low-income families and those with long-term illnesses or disabilities, may also receive the discount.

Tackling fuel poverty will be a huge challenge. A key part of the solution is undoubtedly to address the thermal efficiency of our housing stock. Britain has some of the oldest building stock in Europe. As consumers, we pay a high price for inefficient, leaky buildings. It is widely known that it costs more on average to heat a home in southern England than it does to heat a home in Norway. That is obviously not because it is colder here, but because our buildings are significantly leakier and draughtier. Both the carbon emissions reduction target and Warm Front continue, installing measures in the homes of some of those most at risk from cold. However, the coalition has extended the CERT programme to 2012, which will bridge the gap before the introduction of the real game changer in autumn 2012, the green deal.

Warm Front has helped more than 2.2 million households in England with a range of heating measures. However, we recognised early on that Warm Front was a totally inadequate response to the scale of fuel poverty. It has helped hundreds of thousands of people when the challenge is to help millions. If we had to rely on Warm Front alone, at the previous high rate of spending under the last Labour Government it would take more than 80 years to get close to achieving our aim. The Government's green deal, which we debated this afternoon, will be the flagship programme for addressing energy efficiency. We hope that it will be the game changer that finally deploys resources from the private sector to achieve the ambitious scale of change and investment that we need.

The domestic green deal is an opportunity for householders to improve the energy efficiency of their homes and will come at no up-front cost. It will help to protect people against price rises through greater energy efficiency, saving them money now, but also protecting them against future rises. In developing the green deal and the energy company obligation—the subsidy that will target hard-to-heat homes and the fuel-poor—we are removing the barriers to take-up, raising awareness and showcasing the benefits to make energy efficiency a no-brainer. We are also working closely with the devolved Administrations, particularly in Scotland, to ensure that the green deal can be rolled out right across the country.

The hon. Gentleman spoke at length about the big six. Let me remind him that after privatisation in the early 1990s there were dozens of energy companies. I agree with him that the market was surely much healthier then. I have great sympathy for his wish to see far greater competition in the energy sector, although the consolidation of the energy companies into the mighty big six occurred primarily at the end of the '90s, under the last Labour Government. However, we will not overcome the problem by simply squeezing or over-regulating them evermore. Regulation is important, but we must be careful not to create new barriers to entry. Like him, I want to see new players entering the market and more disruptive technologies. We want to see a more decentralised energy system challenging the monopoly of the old-style, old-fashioned provider. We want to see more energy service companies that make their money not from selling energy, but from helping people to save energy by using less to keep their houses warm.

The Government are taking a range of measures, including our exciting proposals for electricity market reform, to create new incentives to bring new players into the market, because ultimately it is competition—new entrants, new players, new investment—that will create the choice and best value for consumers that the hon. Gentleman and I both want. Indeed, he is absolutely right about that and I am glad that we have found that point of agreement. I am also glad that we have had this opportunity to debate the issue. He is absolutely right—

7.34 pm

House adjourned without Question put (Standing Order No. 9(7)).

Deferred Division

ACCESS TO A LAWYER

That this House takes note of European Union Document No. 11497/11 and Addenda 1 and 2 relating to the Draft Directive of the European Parliament and of the Council on the right of access to a lawyer in criminal proceedings and on the right to communicate upon arrest; and supports the Government's recommendation not to opt into the Directive in accordance with Protocol (No.21) on the position of the United Kingdom and Ireland in respect of the Area of Freedom, Security and Justice to the Treaty on European Union and the Treaty on the Functioning of the European Union.

The House divided: Ayes 303, Noes 192.

Division No. 350]

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, rh Tom
Bray, Angie
Brazier, Mr Julian
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Cameron, rh Mr David
Campbell, Mr Gregory
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Cash, Mr William
Chishti, Rehman
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Flynn, Paul
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Heald, Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hermon, Lady
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kelvin
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Lidington, rh Mr David
Lopresti, Jack
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mensch, Louise
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, rh Mr James
Paisley, Ian
Paterson, rh Mr Owen
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Poulter, Dr Daniel
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark

Simpson, David
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Sir Robert
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stevenson, John
Stewart, Bob
Stewart, Rory
Stride, Mel
Stuart, Ms Gisela
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, rh Mr Desmond
Swinson, Jo
Swire, rh Mr Hugo
Syms, Mr Robert
Tapsell, rh Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Walker, Mr Charles
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

NOES

Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barker, Gregory
Barron, rh Mr Kevin
Beckett, rh Margaret
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Ronnie
Chapman, Mrs Jenny
Clark, Katy
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Docherty, Thomas
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Maria
Efford, Clive
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr David
Hanson, rh Mr David
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hilling, Julie
Hood, Mr Jim
Hosie, Stewart
Hunt, Tristram
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Jones, Graham
Jones, Helen
Jones, Susan Elan
Joyce, Eric
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Lucas, Caroline
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, Dr Alasdair
McFadden, rh Mr Pat
McGovern, Jim
McKechin, Ann
McKinnell, Catherine
Meale, Sir Alan
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Moon, Mrs Madeleine
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Munn, Meg
Murphy, rh Paul
Murray, Ian
O'Donnell, Fiona
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Rotheram, Steve
Roy, Mr Frank
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Sutcliffe, Mr Gerry
Tami, Mark
Thornberry, Emily
Timms, rh Stephen
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Weir, Mr Mike
Whitehead, Dr Alan
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Woodcock, John
Wright, David
Wright, Mr Iain

Question accordingly agreed to.

House of Commons

Thursday 15 September 2011

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

Rolling Stock Contracts

1. **Steve Rotheram** (Liverpool, Walton) (Lab): What assessment his Department has made of the ability of British-based train manufacturers to win contracts for rolling stock. [71828]

2. **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): What assessment his Department has made of the ability of British-based train manufacturers to win contracts for rolling stock. [71829]

The Secretary of State for Transport (Mr Philip Hammond): Since privatisation, Bombardier, as the only current UK-based train manufacturer, has supplied the majority of new trains across the UK main line rail and London underground networks, with a combined total of over 4,500 new carriages ordered since 1996. Going forward, there are a number of contracts that the Department would expect Bombardier to bid for, including the Crossrail project for the supply of around 600 carriages, and it is already a pre-qualified bidder. The tender for this contract is due to be issued in 2012. There are also potential future orders for the London Underground deep tube lines.

Steve Rotheram: I listened to what the Secretary of State had to say and, quite frankly, I could have predicted his response. Why is he not prepared to do anything to reconsider his disastrous decision to award the Thameslink contract to a company that intends to build these trains in Germany?

Mr Hammond: I sometimes get the feeling that I am talking to a brick wall on this subject. I have said it before and I will say it again: the criteria by which the bids were to be evaluated were laid down by the Government in 2008. The criteria have to be followed, although they might not be the criteria the hon. Gentleman would like. We have made a commitment to look at the way we specify the criteria in future public procurements, but on this project it is Labour's mess and we are landed with it.

Tom Blenkinsop: I am sorry, but the right hon. Gentleman told the Transport Select Committee that there was an option to review or restart the Thameslink procurement process at any time during the year before naming the preferred bidder. Will he now admit that that was a terrible mistake, which has put at risk Bombardier, Britain's last train manufacturer, and thousands of British jobs down the supply chain?

Mr Hammond: The only other option available to the Secretary of State—I have to repeat myself again—would have been to cancel the Thameslink procurement completely and abandon the project. That power exists, but there is no power to alter the terms under which the competition is conducted once it has begun. That was made very clear by the representative from the European Commission and by the academic lawyers who gave evidence to the Select Committee.

Nigel Mills (Amber Valley) (Con): Will the Secretary of State confirm that he will look to include socio-economic conditions in future procurement contracts and to give them sufficient weighting that the full economic impact of the contract can be taken into account?

Mr Hammond: The Prime Minister has agreed that the growth review should include a review of public procurement in the UK, and that work is now under way. We will look at what happens in other EU countries that are similarly constrained by EU procurement rules, and we will look at best procurement practice in large commercial companies to maintain long-term best value. We will certainly look at the opportunities provided by, and the appropriateness of, including socio-economic criteria, where appropriate.

Duncan Hames (Chippenham) (LD): I am sure that the Secretary of State will want to join me in congratulating Invensys, based in my Chippenham constituency, on winning a multi-million pound signalling contract on the Thameslink project. A world leader in train-signalling technology, Invensys has in the past experienced some difficulty in winning domestic contracts. What steps is the right hon. Gentleman taking to ensure that recognition of UK engineering talent is more commonly the rule rather than the exception?

Mr Hammond: The general rule is that we would expect to evaluate bids for contracts on their merits. Companies such as Invensys and, indeed, Bombardier have won many contracts on their merits, but we will look at whether we should, in appropriate cases, include wider socio-economic issues and factors, which some other EU member states routinely do in their public procurement processes.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Yesterday, the Deputy Prime Minister made a speech about the importance of investment in infrastructure. Will the Secretary of State provide some examples of how that might lead to more opportunities for UK-based train manufacturing in the short term?

Mr Hammond: I am grateful to the hon. Lady for her question. We are sensitive to the pressures that the UK train manufacturing supply chain—not just Bombardier but the component suppliers—are under, and the Department is urgently looking at some other projects that might be advanced. In particular, the industry proposed a project to modify the cross-country Voyager train fleet so that it could run under electric power,

which would provide—if Bombardier were to win the contract—a substantial piece of work for the crucial design department in Derby. That is at the heart of securing the future of that business.

Maria Eagle (Garston and Halewood) (Lab): Yesterday, the Deputy Prime Minister told the right hon. Gentleman to speed up delivery of Crossrail. Will he update the House on the new completion date for the project, which will, I presume, now be earlier than December 2019, the date to which he pushed it back after the election?

Mr Hammond: The Deputy Prime Minister did not tell me to speed up the Crossrail project. The thrust of his speech was the need to ensure that committed capital funds are spent on their intended profile. The requirements to keep demand in the economy mean that we must get those vital capital programmes spent on programme, and the Crossrail project is spending on programme and will deliver the completion of the project from 2016, with full running from 2019.

Maria Eagle: So the Deputy Prime Minister was wrong—there is no plan to bring forward projects and no plan for growth. May I ask the Transport Secretary about the procurement of trains for Crossrail? After his disastrous decision to award the Thameslink train contract to a company that will build the trains in Germany, putting at risk Britain's train manufacturing industry, he has said that he is reviewing the Crossrail contract. As he has just confirmed that Crossrail is still being delivered on his slower timetable, rather than reviewing it for six months, why does he not scrap the process and start again, and this time ensure that Bombardier has a fair chance to secure the work. Finally—

Mr Speaker: Order. I think we have the gist, and we are grateful.

Mr Hammond: The hon. Lady is all over the place. There is nothing to scrap in relation to the Crossrail rolling stock procurement programme, because we have not started that procurement yet. We announced that we will postpone the issue of the invitation to tender until the new year, in order that consideration be given to the findings of the growth review and how public procurement in this country can best support the strategic interests of the supply chain. The broader Crossrail project, involving a major infrastructure investment—the tunnels across London—is, as the hon. Lady and anyone who travels around London knows, already under way as is manifest in the large number of big holes in the ground.

Rail Travel

3. **Simon Hart** (Carmarthen West and South Pembrokeshire) (Con): What assessment he has made of recent trends in levels of rail travel. [71830]

The Secretary of State for Transport (Mr Philip Hammond): Annual statistics for the year ending March 2011 published by the Office of Rail Regulation show that passenger travel rose during the year to reach an overall, all-time high of 33.6 billion passenger miles. The number of rail journeys has been rising steadily each year since privatisation with only one slight drop in the total during 2009. Since then the upward trend has resumed to reach a total of 1.4 billion journeys undertaken. Long-distance rail travel has nearly doubled since privatisation.

Simon Hart: Will the Secretary of State put some pressure on Network Rail about the state of their stations? Whitland station, in my constituency, is now in such a deplorable state that it works against people wanting to travel on rail and against attracting tourists to our area.

Mr Hammond: Management of stations is the responsibility of train operators. Under the revised franchise programme that the Minister of State has announced, we intend to transfer leasehold ownership of stations to the franchise train operator, so that it can have a more direct, hands-on involvement. However, I will look into the specific example about which my hon. Friend asks.

Mr Denis MacShane (Rotherham) (Lab): The Secretary of State's extraordinary statement that rail travel is something for rich people could be made only by one of the southern millionaires in the Cabinet. If he came to Rotherham, he would see plenty of people who are not rich, but they are now being threatened with the ticket office at Rotherham station, which is being rebuilt, being taken away. May I put it to him that many of my constituents do not do computers and need help and aid? That ticket office at Rotherham station must stay.

Mr Hammond: I understand the right hon. Gentleman's point, and I agree that there will be a need for assisted channels—

Mr MacShane: What are assisted channels?

Mr Hammond: I will tell the right hon. Gentleman what assisted channels are. Even as the purchase of tickets, over time, is bound to become more computer based, as new technologies are deployed and more tickets are bought online, through mobile technology and so on, there will still be a need for an assisted channel, and we will ensure that there is one.

Dr Julian Huppert (Cambridge) (LD): Price is clearly a major factor in determining how many people use the railways. The previous Government went for above-inflation increases each year, and we have argued for increases below inflation. The Government have gone for 3% above RPI. Does the Secretary of State accept that 8% increases in rail, and 7% increases in London transport, is simply too much for people to deal with.

Mr Hammond: The hon. Gentleman says "we". I am not sure who the "we" is. We have decided that we will have to increase rail fares by 3% in real terms for the next three years in order to protect the major programme of investment in the rolling stock, electrification and new infrastructure that the country needs. It is a tough decision, but it is the right decision.

Mr Speaker: Order. May I ask the Secretary of State to face the House, as he is addressing us?

Heavy Goods Vehicles

4. **Mark Lazarowicz** (Edinburgh North and Leith) (Lab/Co-op): What assessment he has made of the potential road safety implications of increasing the maximum length of heavy goods vehicles. [71831]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): In March I published a feasibility study and impact assessment on longer semi-trailers, undertaken by consultants including the Transport Research Laboratory. The research, which is available in the Library, includes consideration of the potential road safety implications.

Mark Lazarowicz: Many streets in my constituency are already unsuitable for long heavy goods vehicles, and the thought of even longer vehicles trying to get down narrow city streets will horrify many people. As the Minister knows, blanket lorry bans are not possible in many urban areas, for all sorts of reasons. May I urge him to think again, and to reject the proposal to allow even longer lorries on to totally unsuitable streets in urban and rural areas?

Mike Penning: I understand the hon. Gentleman's concern, but he should note that because the turning wheels of longer semi-trailers are at the back, their turning circles are much tighter than those of existing lorries. I know that because I used to drive heavy goods vehicles myself. However, I will look into the points made by the hon. Gentleman, and we will announce our proposals when the House reconvenes next month. Then at least the industry will know exactly where we are going.

Dr Andrew Murrison (South West Wiltshire) (Con): Has the Minister considered the environmental impact of very long vehicles, particularly in relation to small rural roads, and the safety implications for pedestrians and cyclists of elongated public service vehicles in the form of articulated buses?

Mike Penning: We have indeed considered the environmental impact of longer semi-trailers, and have concluded that there will be less pollution in the community. There will be fewer lorries, because the longer lorries will be able to carry more cargo than can be carried now. We considered carefully whether longer semi-trailers posed a risk to cyclists in particular, and the risk is not there.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): I know that the Minister is in some pain this morning owing to a tooth abscess, and I do not want to add to his discomfort, but people—motorists, cyclists and pedestrians—are frightened by heavy goods vehicles, and longer vehicles will cause even greater anxiety. Given the 40% cut in road safety funding and the results of the Department's own consultation, which suggest that the number of casualties may be marginally higher if longer vehicles are introduced, will the Minister ensure that the road safety element features highly in his consideration? Surely it must be at the top of his agenda.

Mike Penning: It is very kind of my shadow opponent to worry about my abscess, but I promise him that the NHS dentist will look after it for me.

We will carefully consider the road safety implications of longer semi-trailers, but we must sweat our assets better on the roads. We are not going to introduce heavier weights, and we are not going to introduce the mega-trucks whose introduction has been proposed to us. We will look carefully at the length of trailers to ensure that more products can be taken around the country with the same weight, the same fuel and fewer emissions.

Miss Anne McIntosh (Thirsk and Malton) (Con): Surely the best way of improving road safety is to put all transport on to rail, but will my hon. Friend tell me how safety can be improved on roads such as the A64? What specific plans does he have in that regard?

Mike Penning: I shall have to write to my hon. Friend about the A64. As for moving more transport on to rail, the industry rightly says that trains often take goods to the rail hubs, and trucks—which will now be the longer semi-trailers—take them from there to the distribution centres and supermarkets. When the longer vehicles are introduced, there will be fewer traffic problems, fewer lorries and more rail transport, which is what we want.

Rail Investment

5. **Fiona Mactaggart** (Slough) (Lab): What assessment he has made of the importance of the voice of the passenger to decisions about rail investment; and if he will make a statement. [71832]

The Minister of State, Department for Transport (Mrs Theresa Villiers): The Government recognise the importance of passenger opinion to their decisions about rail investment. The National Passenger Survey produces a network-wide assessment of passenger views on rail travel, which is used to inform the refranchising process alongside franchise-specific consultations. Other work by Passenger Focus, the independent advocate for rail users, also provides valuable input to decision making.

Fiona Mactaggart: When I meet Slough's rail commuters next Tuesday, they will tell me that they are fed up about the £170 increase in their fares next year, and fed up that three of the 10 most overcrowded trains in the country serve Slough. We are to have no new carriages, the Minister is dithering about whether we will be able to use Oyster cards—which will help to relieve the position—and Crossrail, although welcome, will slow down Slough's service. What has the Minister to say to the commuters whom I am meeting on Tuesday?

Mrs Villiers: I recommend that the hon. Lady say that this Government are fully committed to a major investment programme for our railways, much of which will benefit her constituents, including electrification, the intercity express programme, the provision of new rolling stock in the future, and improving the overall reliability of the line for her constituents, with the bottleneck at Reading station being dealt with. We are taking the concerns of the hon. Lady's constituents very seriously. We recognise the anxiety about rail fares, but we are determined to get the costs of the railways down so that we can give better value for money to passengers and taxpayers.

Andrea Leadsom (South Northamptonshire) (Con): Will my right hon. Friend update the House on the latest assessment of the High Speed 2 consultation that closed in July? Will she also reassure my constituents, all of whom are rail passengers, that every single one of their views will be taken into account?

Mrs Villiers: The Government take the process for designing the future of high-speed rail very seriously. All representations made to the consultation will be carefully considered and an announcement will be made later this year.

Rail Franchises

6. **Mr David Evennett** (Bexleyheath and Crayford) (Con): What recent discussions he has had on reform of rail franchising. [71833]

The Minister of State, Department for Transport (Mrs Theresa Villiers): The Secretary of State has held discussions that cover franchise reform in a number of meetings with rail passenger groups, local authorities, train operators, Network Rail and others.

Mr Evennett: I thank the Minister for her reply. Does she agree that as well as encouraging investment the Government's franchising policy must be focused on efficiency, which in the long run will ensure that inflation-busting fare increases become a thing of the past?

Mrs Villiers: I completely agree with my hon. Friend. Our rail franchising reform has the dual purpose of promoting private sector investment and delivering better services to passengers and of reducing the cost of running the railways. As I said in answer to the previous question, that is part of the wider strategy of working with the rail industry to get costs down and provide better value for money for passengers.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Talking about leaving messes that other people have to clear up, the privatisation of the railways has been a mess ever since it was introduced. May we address the issue of the franchise for the east coast line, as the commute to and from London that it provides for my constituents is a disgrace? When they want to travel cross-Pennine, they have to use trains that should be in the York railway museum.

Mrs Villiers: I cannot agree with the hon. Gentleman's assessment of the impact of privatisation. More people currently travel by rail than at any time since the 1920s, and reliability levels are high. I acknowledge that reliability on the east coast line should be better, however, and both East Coast and Network Rail are focused on that, as is my colleague, the Under-Secretary of State for Transport, my hon. Friend the Member for Lewes (Norman Baker). We do think that reliability needs to improve on the east coast line, but we also believe that, overall, privatisation of the railways has brought some tremendous benefits, including increasing passenger numbers.

Mr John Leech (Manchester, Withington) (LD): Will the Minister ensure that any changes to rail franchise specifications will not necessarily involve the loss of ticket offices at local stations?

Mrs Villiers: The Government will carefully consider the McNulty review recommendations, including in the context of the specifications we put in place for rail franchises. Many of the decisions about ticket offices are addressed in what is known as the ticketing settlement agreement, and we will also consider that. We need to get the balance right by modernising the system so that it reflects the fact that the many new ways of buying tickets—such as the increasing use of smarter ticketing and internet purchasing—will in future change what we require from ticket offices, while also ensuring that people have the right channels through which to buy tickets.

Concessionary Coach Travel

7. **Huw Irranca-Davies** (Ogmore) (Lab): What impact assessment his Department undertook in relation to the decision to end concessionary coach travel for elderly and disabled people. [71835]

10. **Caroline Nokes** (Romsey and Southampton North) (Con): What consultation he has had with coach operators on the effects of the withdrawal of the coach concessionary travel scheme. [71838]

The Parliamentary Under-Secretary of State for Transport (Norman Baker): The decision to end Government funding for the half-price coach concession was announced as part of the 2010 spending review. The Government have corresponded with affected operators on the proposed change and my officials have held discussions with National Express—one of the operators affected by the phasing out of the concession. An impact assessment relating to the ending of the coach concession has been submitted to the Reducing Regulation Committee. The final assessment will be published on the Department's website and a copy will be placed in the Library of the House.

Huw Irranca-Davies: I thank the Minister for that answer, but I suspect that he will have received, as I have, countless letters from constituents who see much more expensive coach travel coming down the line as a result of the scrapping of the scheme by October 2012. Am I right in my understanding that no public inquiry with disabled or older people's groups has been carried out? If so, what justification can he have for scrapping the scheme without first consulting the most affected users?

Norman Baker: Of course we assessed the proposal as part of the spending review, and I mentioned the Reducing Regulation Committee assessment a moment ago. May I suggest that the position is not quite as apocalyptic as the hon. Gentleman makes out? A year ago, after the 2010 spending review announcement, National Express said:

> "We are already planning for the removal of the coach concessionary fares scheme in October 2011 and will announce new products aimed at the over 60s and disabled travellers in due course. We believe the financial impact of the scheme's removal is manageable and will be mitigated by our own plans".

Caroline Nokes: I thank the Minister for his comments. Many elderly and disabled people in my constituency have become reliant on coach travel because of its ease of use and cost-effectiveness. If this decision results in the withdrawal of some routes, what choice does he think those vulnerable groups in my constituency will be left with, given that train travel is acknowledged to be very expensive?

Norman Baker: First, we have retained the bus concession in its entirety when many thought that was vulnerable in the current financial circumstances—that has not been chopped in any way. Secondly, the senior citizen railcard continues to exist, and it enables those people to receive a significant discount on rail travel. Thirdly, as I have said, National Express, which is by far and away the largest coach provider, is intending to put its own scheme in place, and I am sure it will do that. I say that, first, because it makes commercial sense for

National Express to do so and, secondly, because the profits on its coach division increased by 14% in the last six months.

Andrew Gwynne (Denton and Reddish) (Lab): This proposal beggars belief—only on planet Norman can this be a good idea. Does the Minister not understand that removing the concessionary coach fares—an entitlement for almost 12 million pensioners and an additional number of disabled people—will, as Age UK puts it, have a "devastating effect" on many people, who will struggle to afford their coach journeys in future? Does he not see that by cutting too far and too fast his approach is having an unfair impact on pensioners and disabled people, and increasing the chances of them being socially isolated?

Norman Baker: That was rather over the top, if I may say so. The fact is that National Express operated its own coach concession arrangements before 2003, and it indicated last year that it believes the situation is manageable and that it intends to introduce a further concession. As I said a moment ago, the profits of the UK coach division of National Express have increased by 14%. Indeed, the profits of the National Express Group—a very successful company—have risen by 26% in the first half of this year. If the hon. Gentleman is suggesting that the public purse should subsidise the profits of National Express, that would be an odd position for the Labour party to take.

Cycling

8. **Chris Skidmore** (Kingswood) (Con): What recent steps he has taken to encourage cycling. [71836]

The Parliamentary Under-Secretary of State for Transport (Norman Baker): The Government are strongly in favour of cycling, as we said in our coalition agreement. On 5 July, I announced the allocation of £155.5 million to 37 authorities to deliver packages of measures that support economic growth and cut carbon emissions, as part of the £560 million local sustainable transport fund—many of these include cycling. I will announce the remaining allocations in summer 2012. In addition, I have established a cycling forum, which met for the first time this week. We want to get more people cycling, more safely, more often.

Chris Skidmore: The Minister will undoubtedly be aware of the huge success that cycling city status has brought south Gloucestershire. Could he now seriously consider the North Fringe to Hengrove major scheme bid that his Department has received recently? The scheme will further enhance cycling provision and will boost economic growth.

Norman Baker: I agree that the initiatives in south Gloucestershire have been successful, and I congratulate my hon. Friend on his inventiveness and ingenuity in including that question under this heading. He will understand that the project he mentions is subject to assessment under the development pool arrangements. A decision will be made later this year, but his support for the scheme is noted.

Lilian Greenwood (Nottingham South) (Lab): CTC reports that the biggest deterrent to cycling is fear of busy roads. What are the Government doing to improve driver training and put more emphasis on cyclists' needs? How can the Minister ensure that dangerous or intimidating driving is made as unacceptable as drink driving?

Norman Baker: Dangerous and intimidating driving is already subject to police enforcement, but we are taking steps to ensure that drivers are aware of cyclists on the road. A Trixi mirror pilot has been approved for London, and it is now in place and showing good results. The Under-Secretary with responsibility for road safety is very aware of this issue and is looking at driving training for HGV drivers in particular.

Mr Speaker: We are better informed about Trixi mirrors and we are grateful to the Minister for that.

Rail Network (Sustainability)

9. **Nicky Morgan** (Loughborough) (Con): What steps he is taking to ensure the economic sustainability of the rail network. [71837]

12. **Rehman Chishti** (Gillingham and Rainham) (Con): What steps he is taking to ensure the economic sustainability of the rail network. [71840]

The Minister of State, Department for Transport (Mrs Theresa Villiers): Despite the deficit, the Government are investing £18 billion in the railway, supporting projects such as Crossrail, Thameslink, electrification and extra carriages on crowded routes. We are also determined to get the cost of running the railways down, and we are putting together a reform package to deliver this which will draw on the report produced by Sir Roy McNulty.

Nicky Morgan: I thank the Minister for her reply. The Government have already announced improvements to the midland main line, which it is hoped will result in line speed improvements, but there is still a very strong business case for full electrification. What hope can she give me and many other MPs along the midland main line route that the Government will consider full electrification, particularly in the light of the HS2 route having being published so recently?

Mrs Villiers: I can say that, yes, we will be consider whether the midland main line can be electrified as part of the work in HS2 control period 5, but we will also have to consider competing projects such as the northern hub or the electrification of the trans-Pennine route.

Rehman Chishti: On train fares, may I ask the Minister for special consideration for commuters in Gillingham and Rainham and the south-east, which have had excessive RPI plus 3% increases since 2006? The Minister will know that commuters in the south-east have had excessive and unfair increases for that period.

Mrs Villiers: I well understand my hon. Friend's concerns, and he has lobbied hard on this issue. The fares are contributing to investments that have been made on the Southeastern franchise in the past and fares now and in the future will contribute to the major investment programme that the Government are delivering,

but in the longer term it is vital that we get the cost of the railways down to respond to passenger concerns about value for money.

Bill Esterson (Sefton Central) (Lab): Elderly and disabled constituents of mine would like to access the rail network but are prevented from doing so by the poor station facilities. Merseytravel has had a budget cut of two thirds, which has caused delays to the installation of a lift at Formby station, to give one example. That lift is vital if elderly and disabled people are to be able to travel on the rail network at all. Will the Minister consider reversing that cut?

Mrs Villiers: I will certainly look into the specific case that the hon. Gentleman has mentioned and write to him about it. I emphasise that access for all funding is continuing under this Government and is part of a major programme of upgrades that we have committed to undertake, despite grappling with a deficit that is as serious as anything in our peacetime history.

Rail Projects

11. **David Mowat** (Warrington South) (Con): What plans he has to review the business case for (a) High Speed 2 and (b) Crossrail. [71839]

The Secretary of State for Transport (Mr Philip Hammond): Economic cases for large projects are periodically refreshed—for example, to reflect the latest economic forecasts. A robust economic case for HS2 was prepared for the recent consultation, with a benefit-cost ratio of 1:2.6. An update will be published later this year. The latest update of the Crossrail economic case was published in July 2011, with a BCR of 1:1.97. I should make it clear that the economic case is only one of the criteria used in decision making for transport infrastructure projects.

David Mowat: I thank the Secretary of State for that reply. As he made clear, the business case for HS2 is stronger than the business case for Crossrail. The HS2 business case gets even better if the link north of Birmingham is taken into account. Given that fact, will the Minister consider bringing forward the construction of HS2 in order to stimulate the economy in the same way as has been mooted for Crossrail?

Mr Hammond: I am grateful to my hon. Friend for his support for the HS2 project. Let me give him an example to reinforce his point. At the time the decision was made to build the extension to the Jubilee line, the BCR was less than 1, but I do not think that many people would argue today that we could possibly do without the Jubilee line extension. The construction profile and overall project profile for HS2 are based on the requirement to obtain parliamentary and other statutory consents and the cash-flow limitations of the Treasury's ability to fund a project on such a scale. Unfortunately, it will not be possible to accelerate it.

Mr Clive Betts (Sheffield South East) (Lab): I know the Secretary of State will be aware that there is widespread political and business support in my city, Sheffield, for HS2. Will he also consider how improving the connecting links to the wider city region could make the business case for HS2 even stronger?

Mr Hammond: The hon. Gentleman is absolutely right and I have said time and again that a major infrastructure project such as HS2 is not an alternative to routine investment in the rest of the rail network and that to get the maximum out of HS2 we will also need to improve the connectivity from the nodes on the HS2 railway to the surrounding areas.

Rolling Stock (Procurement)

13. **Jonathan Ashworth** (Leicester South) (Lab): What recent assessment his Department has made of the effectiveness of its procurement policy for rail rolling stock. [71841]

The Secretary of State for Transport (Mr Philip Hammond): As stated at the Select Committee on Transport on 7 September, for all future Government-led procurements—not just those for rolling stock—the Prime Minister has asked the growth review to examine the degree to which the Government can set out the requirements and the evaluation criteria with a sharper focus on the UK's strategic interest, including a review of public procurement practice and outcomes in other EU member states and a review of current private sector best practice. The results of those reviews will inform future Government-led procurements.

Jonathan Ashworth: I am sorry that the Secretary of State feels that he is talking to a brick wall when Members raise legitimate concerns about the impact on jobs of the Bombardier decision. I am concerned about the impact on Leicester, where many firms are part of the supply chain. What reassurance can he give those firms now that the majority of our trains will be built abroad?

Mr Hammond: The hon. Gentleman is quite wrong to say that the majority of our trains will be built abroad. One contract has been awarded to Siemens, and those trains will be built in Germany. Other contracts are in the pipeline, and Bombardier remains a very strong bidder. It has demonstrated over the last 15 years its ability to win a majority of UK train orders. From 2014 we will have a second UK-based train builder, Hitachi, in the plant that it is establishing in Newton Aycliffe, with the creation of 600 new jobs.

Margot James (Stourbridge) (Con): I very much welcome the review of how the Department implements the procurement rules. Does my right hon. Friend agree that there is no time like the present for a thorough review of how this country has, in the past, gold-plated EU directives and regulations?

Mr Hammond: I should emphasise to my hon. Friend that the review is not concerned simply with train procurement but is a review of public sector procurement across the board. It will look at what is happening elsewhere and whether there are things that we can do differently so that procurements initiated by this Government do not have the flaws that hon. Members are identifying in the Thameslink procurement initiated by the last Government.

Topical Questions

T1. [71848] **Mark Reckless** (Rochester and Strood) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Transport (Mr Philip Hammond): Since I last answered Transport questions, the consultation on high-speed rail has closed. The Department has announced £155 million of investment from the first-round allocation of the local sustainable transport fund, concluded deals to put new carriages on key commuter rail routes, set out the next stages in the Department's rail franchising programme and launched a consultation on proposals for new lane rental schemes to cut the number of rush-hour roadworks.

Mark Reckless: Many of my constituents who are not rich but were used as guinea pigs for RPI plus 3% by the last Government have no choice but to commute by coach, getting up at 5 or 6 am to get into London. Will Ministers welcome the statement by Southeastern yesterday that it will henceforth use the flex possibility to consider elasticities so that areas where people are not well off and where there is significant competition may see lower fare increases in future?

Mr Hammond: Absolutely. We are all in favour of competition. Train operators should note what is happening in the marketplace, and where coach operators are taking their business they should use the flexibility that they have to respond.

T2. [71849] **Alison McGovern** (Wirral South) (Lab): Yesterday's unemployment figures were disastrous for Wirral and the wider Merseyside economy. Given that RPI is now over 5%, will the Secretary of State explain how his RPI plus 3% train fare hikes will help work pay for ordinary people?

The Minister of State, Department for Transport (Mrs Theresa Villiers): Merseyrail is on a different fares framework from the rest of the country—I think that it is on RPI. We all fully recognise the concern about rail fares. The decision on RPI plus 3% has been taken to enable us to deliver a massive programme of rail upgrades, which is essential if we are to deal with passenger concerns and promote vital economic growth.

T4. [71851] **Claire Perry** (Devizes) (Con): Last night I drove down to my constituency and, unusually, the motorway was very clear. However, it is often the case that there are accidents on both the M3 and the M4 and it seems to take an unfeasibly long time to get the motorway reopened afterwards. Will the Department do something about that?

Mr Philip Hammond: My hon. Friend raises a very topical point. She may know that in August we had one of the longest ever post-accident closures on the M25 very close to my own constituency, as it happens, when the motorway was closed for more than 24 hours following an accident. The Under-Secretary of State for Transport, the hon. Member for Hemel Hempstead (Mike Penning), has been in discussion with the Association of Chief Police Officers, the police lead on traffic services. A working group is now operating between the Highways Agency and ACPO, which will be reporting before the end of the year. We have also allocated £3 million to invest in the latest laser scanners to allow the police to record traffic accident scenes more quickly and allow the clear-up of the motorway to progress more quickly.

T3. [71850] **Lisa Nandy** (Wigan) (Lab): The Government are asking more disabled people to find work through the work capability assessment programme. Does the Minister understand that transport, and in particular cancelled station upgrades, slow replacement of rolling stock and rising prices are a significant barrier for many disabled people in Wigan and across the country? What action is he taking to address this?

The Parliamentary Under-Secretary of State for Transport (Norman Baker): We are taking a good deal of action to help disabled passengers whom we want to have full access to the transport system. Plans are going ahead to ensure that rail vehicles and buses are fully accessible, we are also continuing with the access for all programme to upgrade railway stations, and I regularly meet disabled groups to ensure that our programmes and policies are fully in line with their wishes.

T6. [71853] **Tony Baldry** (Banbury) (Con): Can the House be given an update on yesterday's interdepartmental meeting on the theft of metals and the review of the Scrap Metal Dealers Act 1964?

Norman Baker: I am grateful for that question because metal theft is an extremely serious issue for passengers on the rail network and for motorists who are now affected on motorways, and the coastguard service. This is a matter that we take very seriously, because of its impact on business apart from anything else. There was a very good meeting of Ministers from a number of Departments yesterday. We have a plan to ensure that we are using our existing powers as fully as possible, and to look at what other steps may be necessary to deal with this high level crime.

T5. [71852] **Nic Dakin** (Scunthorpe) (Lab): Businesses have been encouraged by the announcement of a Humber enterprise zone and the Government's commitment to finding a sustainable solution to Humber bridge tolls. Will the Secretary of State give a green light to potential investors by announcing when the upgrade to the A160 will take place?

The Parliamentary Under-Secretary of State for Transport (Mike Penning): I genuinely apologise to the hon. Gentleman. Because he was asking about the Humber bridge, I assumed that he was asking about tolls. I will write to him specifically on the A160 as soon as I return to the Department.

T7. [71854] **Rehman Chishti** (Gillingham and Rainham) (Con): Following the Government's consultation on the future of the Dartford crossing, will the Minister consider extending the local person's discount scheme to include my constituents and the wider Medway area?

Mr Philip Hammond: I am happy to consider any representation that my hon. Friend wants to make, but our primary objective is to ensure that funds are available for an additional crossing in the future, and our approach to Dartford is to ensure that that can be affordably delivered.

T9. [71856] **Kelvin Hopkins** (Luton North) (Lab): In awarding the Thameslink contract, did the Secretary of State take into account Siemens' industrial relations record? Siemens' global business strategy has been described as aggressively anti-union, and staff currently working for First Capital Connect on the existing Thameslink bid have not been reassured by the Government that their terms and conditions will be protected by the Transfer of Undertakings (Protection of Employment) Regulations 2006 should they transfer to Siemens. Will he reassure those workers and the House that TUPE will apply in such circumstances?

Mr Hammond: My understanding is that TUPE will apply in such circumstances. For the record, Siemens employs 16,000 people in this country, many—indeed, I think most—are represented by the Unite union, and my understanding from the inquiries that I have made is that relationships between the union that represents them and the company are extremely good.

T8. [71855] **Jake Berry** (Rossendale and Darwen) (Con): The extension of high-speed rail to Manchester will bring huge benefits to my constituents, both in terms of jobs and growth. Will the Minister reassure the House that this line will not stop at Birmingham but will come to Leeds and Manchester, and additionally will he confirm that if we are to have a proper integrated transport plan, we should look at a rail link between Rossendale and Manchester to complement it?

Mr Hammond: Ah, the sting in the tail! My hon. Friend makes a very good point and I understand the concern that some Members representing seats in the north-west, Yorkshire and places further north have about the fact that we have to progress this project in two separate stages through two separate hybrid Bills. I have made it clear on every occasion I possibly can that the Government are committed to the whole Y network project. The benefit-to-cost ratio is based on the whole Y network, and I will do whatever I can to build into the first hybrid Bill reassurance to people and businesses in Manchester, Yorkshire and the Humber, and the north east that we will indeed complete the full Y project.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): The Minister referred earlier to the access for all programme. Newton station in my constituency is in dire need of an upgrade to improve access. Will he speak to Transport Scotland to ensure that the station gets those improvements quickly?

Norman Baker: I am not familiar with that specific case, but I will happily look into it. I will discuss the matter with officials and write to the hon. Gentleman.

T10. [71857] **Joseph Johnson** (Orpington) (Con): Daniel Upcraft and his fiancée Nicola were hit by a heavy lorry while queuing in traffic on the M25 last April. Daniel was left with very serious brain injuries and Nicola tragically lost her life. The driver of the lorry was found to have had undiagnosed sleep apnoea and the Crown Prosecution Service dropped the case against him. Will the Minister please agree to meet Daniel's mother, Carole, my constituent, who is running a campaign to raise awareness of the impact of sleep apnoea on drivers' ability to maintain vigilance?

Mike Penning: It would be a pleasure to meet the family, and I praise the work they are doing. This tragic loss was the result of a medical condition that is very difficult to diagnose, and we need to do a lot of work prior to diagnosis so that people are not driving with this terrible illness.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Will the Department for Transport carry out a full risk assessment before removing emergency towing vessels from the waters around the Hebrides and Orkney and Shetland?

Mike Penning: I met the hon. Gentleman recently to discuss this. We have made an assessment. The contract ends at the end of this month. I have worked closely with all local communities and the Scottish Government to try to find out whether there is more funding. We do not have the funding for it. The present contract, which was brought in by the previous Government, is a disaster for the taxpayer and the local community. I am still willing to look at other proposals, but they will have to be brought forward quickly.

Sheryll Murray (South East Cornwall) (Con): Would my right hon. Friend like to join me on one of the most beautiful and picturesque railway lines in the country, between Liskeard and Looe, to see for herself how our rural railways support coastal communities and the tourist industry?

Mrs Villiers: Yes, I would be delighted to.

Natascha Engel (North East Derbyshire) (Lab): Integrated transport authorities have effectively re-regulated buses in the larger metropolitan county areas, which has squeezed private bus companies and made the bus wars in rural areas particularly fierce. That is great for those who live on lucrative bus routes, but services to smaller rural villages have become so bad as to be non-existent in some places. What is the Minister doing to help people out in those smaller rural areas?

Norman Baker: Local decisions are a matter for local authorities, which are elected and are in the best position to make those decisions. The hon. Lady will be aware that the Competition Commission is examining the bus market and will report later this year. We will obviously give serious consideration to its recommendations.

WOMEN AND EQUALITIES

The Minister for Women and Equalities was asked—

Female Genital Mutilation

1. **Jane Ellison** (Battersea) (Con): What assessment she has made of the likelihood that new guidelines on prosecution of cases of female genital mutilation will increase the prospects of securing a conviction. [71818]

The Minister for Equalities (Lynne Featherstone): Before answering that question, I would like to offer the apologies of my right hon. Friend the Minister for Women and Equalities to you, Mr Speaker, and to the House for being unable to attend questions today; she is in the United States on ministerial business relating to counter-terrorism. The Under-Secretary of State for Work and Pensions, my hon. Friend the Member for

Basingstoke (Maria Miller), who has responsibility for disabled people, and I will endeavour to field questions from the House.

The Government are committed to eradicating female genital mutilation. The Crown Prosecution Service's legal guidance, which was launched last week, is an important step in preventing this horrendous practice. We hope that it will raise awareness of the issue and help prosecutors bring perpetrators to justice.

Jane Ellison: I thank the Minister for that reply. The section of the new guidelines on reluctant victims focuses very much on the difficulties of obtaining evidence and gaining victim co-operation, but for years great expertise has been brought to bear in prosecuting child sexual abuse. Could not this expertise be brought to bear in the area of FGM?

Lynne Featherstone: I thank my hon. Friend for that helpful suggestion. It is a really important point, because I am sure that much could be learned from the real progress that has been made in investigating and prosecuting child sexual abuse cases. Where appropriate, prosecutors should make links with experts in other areas in order to build a stronger case.

Valerie Vaz (Walsall South) (Lab): I thank the Minister for her response. One midwife, Alison Hughes, is organising a conference on 21 September in Birmingham, because the situation is getting serious. She now treats up to five cases a week of women giving birth who have been mutilated, and it causes huge problems. If the Minister cannot give me an answer now, will she write to tell me whether any cases that are going to be prosecuted are in the pipeline?

Lynne Featherstone: This is an important issue, and I am aware of the hon. Lady's interest and involvement in it. On the conference and cases in progress, the police investigated 58 cases in 2009-10, but none so far has come to prosecution. I do not know, as I stand here, whether there is anything in the pipeline, but the legal guidance is one of the main hopes behind making prosecutors more aware of how to take cases forward, and I am very happy to deal with her directly.

Tom Brake (Carshalton and Wallington) (LD): The Minister will be aware that the charity Forward published a report in 2007 which identified that 20,000 girls under 15 years old were at risk. One of its recommendations was that the issue be treated not just as a health issue, but as violence against women and girls. Will she set out what progress is being made to place the focus not only on health, but on the violence aspect?

Lynne Featherstone: We certainly do put the emphasis on the issue being not just about domestic violence, but about a violation of human rights. It is the most serious of offences against young women—all women—and it is part of our action plan, which includes 88 actions. The legal guidance is also part of the issue, but we are taking a range of measures.

For example, I was at the Manor Gardens centre—*[Interruption.]* If Mr Speaker will forgive me, I must say also that there are guidelines for front-line services, so that people on the front line can spot girls who do not come forward and ensure that we get assistance to them, support them and signpost them and work with more people who work in the community—including those who work with the FGM forum, which is a very important centre.

Ann Clwyd (Cynon Valley) (Lab): My Bill in 2003, which became the Female Genital Mutilation Act of the same year, came into force in 2004, but I have continually asked this question in the House: 74,000 young girls have undergone this procedure in the United Kingdom, every year the numbers are increasing instead of decreasing and other countries are able to bring prosecutions, so what is the point in having a measure on the statute book unless it improves the lives of people and does not just lie there?

Lynne Featherstone: I understand the right hon. Lady's frustration. We are all frustrated, and in government we are frustrated, but we are working with the police and all relevant partners to try to ensure that prosecutions go forward. We have distributed more than 40,000 leaflets and posters, which have been circulated in schools and to health services. The guidelines are to enable prosecutors to bring cases, but clearly there are issues because, as she knows, when such acts take place in the family and are part of a—*[Interruption.]* I understand, but what I have seen from working with the FGM forum and across government is that those with a knowledge of the community are best placed to help us to get families to bring cases forward, and we are working with the police and the prosecution service to do so.

Flexible Working

2. **Mr Philip Hollobone** (Kettering) (Con): What plans she has to improve arrangements for flexible working. [71820]

4. **Alun Cairns** (Vale of Glamorgan) (Con): What steps she is taking to improve arrangements for flexible working. [71822]

7. **Stephen Mosley** (City of Chester) (Con): What steps she is taking to improve arrangements for flexible working. [71825]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): We want people to be able to balance their work and caring responsibilities, and the Government are committed to removing the barriers to that. Over the summer, we put forward our proposals to extend to all employees the right to request flexible working, and we will respond to that consultation in due course.

Mr Hollobone: Is my hon. Friend aware that, according to the Chartered Institute of Personnel and Development, about one quarter of older workers would continue to work beyond retirement if they were able to work flexible hours?

Maria Miller: My hon. Friend makes a very important point. The ability to work flexibly can work for many different groups of people, and that is why we believe that bringing forward measures that could give people more opportunities to do so is so important. I hope that I can count on his support.

Alun Cairns: There is some evidence that flexible working can have a positive impact on productivity. What incentives can the Government offer to employers to encourage more of them to offer that facility?

Maria Miller: I think my hon. Friend mentions one incentive himself and makes a very good point: the flexibility itself can be an incentive for companies to take it up. But we have set up legislative opportunities to improve the situation and, importantly, non-legislative opportunities, because the very culture of companies—in particular, the culture of "presenteeism", which unfortunately too often pervades small and large companies—can make it very difficult for employees to take up flexible working.

Stephen Mosley: Many Members of the House will have personal experience of trying to juggle a career and looking after small children. What action is my hon. Friend taking to help parents of young children to return to the work force after looking after their children?

Maria Miller: I was in that position, a few years ago now. It is a difficult transition to make. That is why we are making it a great priority to introduce a new system of flexible parental leave so that new parents can choose how to share child care between them. That, along with our reforms of the benefits system under universal credit, will help many more women in particular to stay close to the labour market.

Dame Anne Begg (Aberdeen South) (Lab): As we have heard, flexible working can be a very good thing, but sometimes the phrase is misinterpreted by employers, and that leads to bad practices such as zero-hour contracts and unrealistic flexibility that they look for from employees instead of giving them set hours. Will the Minister guard against always using the phrase "flexible working"? We may think it is a positive thing, but some employers interpret it differently.

Maria Miller: The hon. Lady makes an important point. They are the sorts of issues that will come out in our consultation.

Tony Lloyd (Manchester Central) (Lab): The Minister will be aware that one of the biggest barriers to women returning to work is lack of child care. Women who want to work flexibly need to know that that child care will be not only available but affordable. Has she seen the report by the Daycare Trust and Save the Children, which says that the cost of child care is driving people out of work and making it impossible for them to afford that child care? What will the Government do about this? Will she ask the Chancellor to look again at the child care elements of the working tax credit?

Maria Miller: The hon. Gentleman raises an important point. It can be a real problem for families to identify the right child care. That is why, under our universal credit reforms, we will continue to invest at least the same amount as is currently in place to support child care, and we are focusing on exactly how we will deliver that. I was pleased to see that colleagues in the Department for Education have extended early years free entitlement for three and four-year-olds to 15 hours. These are the sorts of measures that will make a real difference to the people the hon. Gentleman mentions.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Flexible working is vital for the economy and for families. The only thing the Government have done so far on flexible working is to stop regulations coming in that would have extended the right to request flexible working to parents of 17-year-olds. At the same time, policies on jobs and on child care are making it harder and harder, with every day that goes by, for women and parents to work. With women's unemployment at a record high and rising, and with child care support being cut as costs rise, her Government's own memo on women says:

"we have made bold statements or promises but haven't delivered enough".

The truth is that they have not delivered at all; they are making it worse. What is the Minister going to do, and when does she think that women's unemployment will start to fall—this month, next month, next year?

Maria Miller: Unlike the right hon. Lady's Government when they were in power, we do not blow hot and cold on flexible working; we are committed to it. This Government absolutely take seriously the issues that are faced by women, and we have already taken a great deal of action to ensure that women are supported not only in the workplace but throughout their family life. We have increased spending on health and child tax credit, and the right to request flexible working is part of that package. We have taken 880,000 of the lowest paid workers out of income tax altogether, the majority of whom are women. The right hon. Lady needs to look at the score card of achievements that we have put in place and compare them against her own.

Violence against Women and Girls

3. **Greg Hands** (Chelsea and Fulham) (Con): What steps she is taking to tackle violence against women and girls. [71821]

The Minister for Equalities (Lynne Featherstone): On 8 March this year, we published our action plan on tackling violence against women and girls. We have already delivered on that in several areas, including a commitment to provide more than £38 million of Home Office and Ministry of Justice funding over four years for local specialist services to support victims of domestic and sexual violence.

Greg Hands: Under the last Labour Government, rape crisis centres were closing at a rate of two per annum. Will the Minister confirm that this Government will never do anything to put such important services and their funding at risk?

Lynne Featherstone: I thank my hon. Friend for pointing that out. It is true that under the previous Government, the number of rape support centres in England and Wales fell dramatically. This Government have committed £10 million to local rape support centres over the next three years. The Ministry of Justice is working with the sexual violence sector to open 15 new centres where there are gaps in provision. The first four of those will open this year in Hereford, Trafford, Devon and Dorset. Further work is being done to identify other parts of the country where there is an acute need for such services.

Ann Coffey (Stockport) (Lab): One resource identified in the action plan to end violence against women and girls is participatory local budgeting. The plan states that Stockport is to have this from March 2011. However, Stockport has been doing local participatory budgeting for three years. Will the Minister clarify whether there will be additional funding, as is implied in the action plan?

Lynne Featherstone: My understanding is that there will be, but I will check that and write to the hon. Lady to confirm it.

Fiona Mactaggart (Slough) (Lab): The No. 10 memo describing why women do not like this Government suggests that targeted Home Office work on women, crime and confidence is required. At the time when the officials were drawing up that memo with a focus group that looks to me as though it was made up of secretaries and researchers in No. 10, I was listening to women in my constituency, who were worried about perverts harassing them on buses and on the street. What targeted Home Office work is being done to help such women?

Lynne Featherstone: We are working with all the police agencies and the Association of Chief Police Officers to focus on those issues, including stalking and harassment. Tackling stalking, for example, is a key priority for the Home Secretary. We have committed long-term funding to the national stalking helpline over the spending review period and we have set up a national stalking strategy group to ensure that actions on stalking are taken under the violence against women and girls action plan. That is an example of one area of work that is targeted.

Civil Partnership Ceremonies

5. **Andrea Leadsom** (South Northamptonshire) (Con): What her policy is on permitting civil partnership ceremonies in religious premises. [71823]

The Minister for Equalities (Lynne Featherstone): Earlier this year, I announced our intention to implement section 202 of the Equality Act 2010 to remove the ban in England and Wales on civil partnerships being registered on religious premises. It is a voluntary measure for faith groups that want to allow that to happen. It is an important step forward for lesbian, gay and bisexual rights, and for religious freedom. We are considering the responses to the public consultation and working to bring the regulations into force by the end of this year.

Andrea Leadsom: Of course it is reasonable for religious premises that wish to hold civil partnerships to be able to do so. However, does the Minister agree that it is entirely inappropriate for the Government to get involved in any decision about civil partnerships being held in a particular religious venue?

Lynne Featherstone: I reassure my hon. Friend that I totally agree with her sentiment. The Government have made the decision to enable premises that want to host civil partnership registrations to do so. This is about religious freedom. I am absolutely clear that it is not for the Government to force any religious organisation to host civil partnership registrations if they do not wish to do so.

Chris Bryant (Rhondda) (Lab): I hope that all churches will want to celebrate same-sex commitments. However, I am worried that the Government are introducing another anomaly. When gay people get married in a civil partnership they will be able to have religious symbols and ceremonies, but if straight couples do not want to get married in a church, but would none the less like to have religious music or symbols, they are not allowed to have them. I think that we should go for straightforward equality with gay marriage and straight marriage being exactly the same.

Lynne Featherstone: I have had many conversations on this issue. I know that the hon. Gentleman wants these things and we have discussed them. Right now, we are moving forward on allowing civil partnerships to be registered in religious premises. From listening to people, it is clear that there is a desire to move forward on equal marriages and partnerships. We are working with people to move that agenda forward.

Several hon. Members *rose—*

Mr Speaker: Order. I apologise to colleagues but, as so often, demand has exceeded supply and we must move on.

Palestine and the United Nations

11.34 am

Sir Gerald Kaufman (Manchester, Gorton) (Lab) *(Urgent Question):* To ask the Secretary of State for Foreign and Commonwealth Affairs—*[Interruption.]*

Mr Speaker: Order. May I appeal to colleagues who are almost unaccountably not staying for the urgent question to leave quietly so we can hear Sir Gerald?

Sir Gerald Kaufman: Always a treat, Mr Speaker.

I should like to ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement stating the intentions of Her Majesty's Government with regard to the application next week of the Palestinian Government at the United Nations.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): First, Mr Speaker, may I apologise to you and the House for the absence of the Foreign Secretary this morning. I think it is well known that he and my right hon. Friend the Prime Minister are on a visit to Libya and I am sure that the whole House will wish them both well as they make that journey and return safely.

With permission, I will make a statement in answer to the right hon. Gentleman's question about the Government's intentions with regard to the application next week of the Palestinian Government at the United Nations. The Palestinian leadership has yet to submit any application to the United Nations. If and when an application is received, we will make a decision about how to respond. Without knowing the content of any such application, it would be premature to speculate on what the Government's response might be.

This year marks the 20th year of the middle east peace process—20 years since the Madrid conference was launched. For the Palestinians and Israelis, not much has changed in nearly two decades since the Oslo accords were signed. The Israelis continue to face threats from violent extremists and the Palestinians still have no state. The UK has long been clear that peace in the middle east, enabling a resolution of the long-running dispute between Israel and the Palestinians, has enormous importance for global and regional security. The goal of the international community should be to ensure that this is the last year of process and the beginning of a lasting agreement between the parties. Events in the wider middle east region call for a redoubling of international efforts to support peace, stability and democracy. Nowhere is that need more pressing than in the Israeli-Palestinian conflict.

The world can no longer claim that change in the middle east will come slowly and incrementally, or allow the middle east peace process to limp along indefinitely, as it has done. If the peace process becomes a casualty of regional change, it will feed instability and violence, not democracy and human development. While the Arab spring goes much broader than the Israeli-Palestinian conflict, this dispute deeply affects the politics of the broader region. The fluid dynamics resulting from the Arab spring make the prize of stability that would result from any agreement between Israel and the Palestinians even more significant.

There is no alternative to negotiations to address the fundamental issues at the heart of the Israeli-Palestinian conflict, and a solution cannot be imposed from outside. The parties need to redouble their efforts to break the impasse and resume negotiations on a two-state solution before the window to such a solution closes. Bold leadership is needed from all sides. Neither Israel nor the Palestinians can afford to let the opportunity for peace slip further from their grasp. The two-state solution is the only way of realising the Palestinian aspirations for a state of their own and the long-term security that the Israelis deserve.

The Prime Minister made our position on United Nations' recognition of a Palestinian state very clear during the visit of President Obama in May. He agreed with the President that a Palestinian state was a legitimate goal, but that the best way of achieving that was through a comprehensive agreement between Israel and the Palestinians. So, our focus remains on continuing to push hard for a return to negotiations on the basis agreed by the Prime Minister and President Obama. The United Kingdom Government want to see borders based on 1967 lines with mutually agreed swaps, security for Israel, and the right for Palestinians to govern themselves in a sovereign and contiguous state. We see Jerusalem as a shared city which will be the capital of both countries and we also, of course, accept that there needs to be an agreed and just solution for Palestinian refugees.

However, Palestinian action at the UN this month now looks increasingly likely. As I have said, we do not yet know the form that such action might take. We are working closely with partners to build consensus on a way forward that recognises the progress the Palestinians have made on their state-building efforts, that meets Israel's legitimate security concerns and that avoids confrontation in the UN.

Whatever action is taken in New York, it is important that this increases the prospects for a return to negotiations. It is important to remember that action in the UN is not an end in itself. September is not the "closing date" for resolution of this conflict. What happens next is vital, which is why our goal remains to ensure that steps taken now pave the way for significant, conclusive talks. It is vital that any action in the UN does nothing to endanger the prospect of talks. It is emphatically in our national interest to see an independent, democratic Palestinian state living in peace with Israel, not at some ever-receding point in the future, but within a limited, practical time frame—not a part-deal on temporary borders that gives no promise for the future, but an agreement on all final status issues that will signal an end to all claims. I would like to assure hon. Members that the British Government will not cease in their efforts to support the parties in finding a long-term, sustainable solution to this conflict that will make this vision a reality.

Several hon. Members *rose—*

Mr Speaker: Order. I am grateful to the Minister, although his reply was on the long side. We need exchanges to be pithy, because I want to accommodate colleagues who wish to question the Minister.

Sir Gerald Kaufman: Does the hon. Gentleman agree that it would be totally inconsistent to support freedom for the people of Libya, Egypt, Tunisia and Syria, but

not actively to support, through this country's UN votes, comparable independence for the people of Palestine, who have been waiting 64 years for UN decisions to be fulfilled and implemented? Will he understand that a Palestinian success will transform the situation in the middle east, but that if the Palestinians go to the UN Security Council and, if needs be, the General Assembly and fail, the Israelis will regard it as a triumph and it will be the end of the 20-year peace process? Will the Government stand up and put their hand up for the Palestinian people at the UN?

Alistair Burt: The Government have always been clear about their recognition of a Palestinian state at the conclusion of a process of negotiation between the parties in which mutual security has been guaranteed. We see no reason to move from that position, because anything else would threaten the compromise and security position that we all want to achieve. The right hon. Gentleman talks about the importance of success in New York and what it would mean. We agree entirely. It would be a disaster if in New York one side proclaimed triumph and the other reacted to a disaster. We are working hard with all partners to try to ensure that, whatever comes out of the UN, it is in the spirit of both sides feeling that something has been gained and that we have a situation moving towards those negotiations that need to succeed. We are all well aware of how success or disaster could be viewed and what the consequences could be. It is very important that at this stage we work as hard as possible for a resolution that will mean that both sides will be able to recognise that they have gained something and that we all have an opportunity and real hope for the near future.

Sir Menzies Campbell (North East Fife) (LD): Does my hon. Friend understand the profound sense of disappointment that there is in the House—and will be outside—at the nature of his remarks? Britain's influence and reputation will inevitably be substantially diminished unless we show a positive approach to this issue. The Minister did not really answer the contradiction posed by the right hon. Member for Manchester, Gorton (Sir Gerald Kaufman). How is it that the Prime Minister and the Foreign Secretary can be in the middle east, doing everything in their power to support the principle of self-determination, while the British Government, so close to the question being asked in New York, are unable even to take a position on the Palestinian application? Does he understand that the most telling criticism of British policy in the middle east has always been that of double standards? Is this not just an illustration of that?

Alistair Burt: If my right hon. and learned Friend would like to tell me the final terms of the resolution that will be presented to the UN, we might be in a position to answer the question. However, as I indicated, our position on recognition of Palestine as a state is assured as a result of the processes that have been gone through and the negotiations that are vital between both sides. As I mentioned in my statement, what happens next week is not an event, but part of that process. Palestinian statehood will not be secured by a resolution, whatever anyone thinks or whatever is passed at the UN. It will be secured by the mutual recognition of both sides, which comes through the negotiation process that both sides have been committed to. Our position remains that we are determined to ensure that whatever happens at the UN next week—and he genuinely should not prejudge anyone's position in this on any side—it is good for the future and not damaging to the negotiation process.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I refer the House to my relevant entry in the Register of Members' Financial Interests.

I commend my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) for tabling an urgent question on this important issue. Surely it would have been better for the Government to have come to the House this week with an oral statement covering this issue and the developments elsewhere in the region, including Syria.

Labour has long supported the establishment of two states living side by side in peace and recognised by all their neighbours. There is widespread frustration and disappointment at the failure to make any progress in recent years. We seek an immediate return to meaningful negotiation between the parties, based on the 1967 borders with land swaps, resulting in a Palestinian state living in peace and security with Israel.

The Palestinians' path to independent statehood will require recognition at the United Nations, and Labour supports that goal. We will judge any move made at the United Nations next week—such as the potential upgrading to observer status of the Palestinian delegation—on the basis of the contribution that it can make to securing meaningful negotiations between the Israelis and the Palestinians and achieving a comprehensive agreement. Contrary to what the Minister has said today, however, we believe that the options before the international community are now clear. This morning, President Abbas, who has seized the attention of the world on this issue, has said that the Palestinians will pursue statehood in the absence of genuine alternatives.

Will the Minister set out the Government's position for the House today—the last opportunity before the House rises for the recess—and tell us how the United Kingdom will vote on the following three very real scenarios? First, how would we vote in the UN Security Council on full recognition? Secondly, what would be our position in a vote in the UN General Assembly advocating full recognition? Thirdly, how would we vote in the General Assembly on enhanced observer status for the Palestinians?

Alistair Burt: I thank the hon. Gentleman for what was, at the beginning of his remarks, a clear statement of a position that is virtually identical to that of the Government. That is to say, he and his party will make a judgment on any option that is put forward next week on the basis of the contribution that it can make to an ultimate settlement. We will do exactly the same. I am sure that he will respect my position when I tell him that I cannot answer his hypothetical questions, because every nuance in every comment adds to the general pot that is now being discussed. There are times when these issues have to be put privately, before a public position can be taken.

Over the past few weeks, we have heard many statements from representatives on all sides, indicating that a vote might be taken in the United Nations Security Council or that it might not, that it might be taken in the General Assembly or that it might not, or that this

[Alistair Burt]

might depend on a Quartet statement. All those issues are still live and current, and although I quite understand the House's desire to know the negotiating position, it would be genuinely unfair of hon. Members to press me on that at this stage. My answer would have to be the same. I understand entirely where the hon. Gentleman is coming from, and we take comfort from understanding, from his first remarks, that he and his party recognise the position that we are in. We want to ensure that nothing that is put forward and agreed next week will damage the prospect of peace between the parties, which we believe will come from a negotiated settlement and, we hope, as soon as possible.

Several hon. Members *rose—*

Mr Speaker: Order. So far, this matter has absorbed 13 minutes, and the vast majority of Back Benchers are still waiting to speak. What is required from Back Bench and Front Bench alike is brevity.

Mr Julian Brazier (Canterbury) (Con): I welcome my hon. Friend's firm commitment to a two-state solution, but I put it to him that what has changed over the past 20 years has been the building of a wall through part of the west bank and a programme of settlement building that is very close to closing the door to a two-state solution. May I urge him to take very seriously the Palestinian bid for statehood while, understandably, calling for some conditions?

Alistair Burt: The obstacles and difficulties that my hon. Friend refers to are precisely the reason that this opportunity should be taken before the door to a two-state solution closes.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Does the Minister agree that although a negotiated settlement for two states—Israel and Palestine—can bring peace and security to the two peoples, a resolution that cannot deal with the critical detail of borders, Jerusalem and refugees may simply raise false expectations, leading to frustration and violence, thereby impeding the essential and urgent path of negotiations?

Alistair Burt: The hon. Lady accurately characterises the difficulties and nuances in this situation. It may not be all about a resolution; it may be about a resolution with a Quartet statement dealing with parameters. All that is up for discussion. She is acutely aware of the subsidiary issues that would go alongside any resolution and which are being much discussed at present.

Nick Boles (Grantham and Stamford) (Con): I commend the calm and balanced approach set out by my hon. Friend—so unlike the wild and irresponsible statements by others on both sides of this House, whose long years have clearly not brought them wisdom. What matters—[Hon. Members: "Withdraw."] No, I will not withdraw it; I believe it and I am happy to restate it for anyone who cares to hear it again. What matters in this situation is actual changes on the ground, in the feelings, thoughts and fears of Israeli people and Palestinian people. What does not matter is posturing in the House of Commons or the United Nations General Assembly by politicians trying to associate themselves with a cause and taking up a brave position, but not thinking about the people whose interests should be at the heart of it.

Mr Speaker: I call the Minister—find a question there.

Alistair Burt: I am grateful for the wisdom and advice of colleagues on all sides and at all different stages in their parliamentary careers. I welcome it from those who, like me, have been around for a while and from those who are new here. My hon. Friend gets to the heart of it when he says that there are dangers and risks that come from people taking established positions at a very early stage, when the truth, as we all know, is that negotiations proceed on a parallel track, sometimes in private and sometimes leading to a different outcome. We all need to keep our counsel calm and wise over the weekend, and I am absolutely certain that those most closely involved in negotiations would entirely fulfil my hon. Friend's requirements.

Mr David Winnick (Walsall North) (Lab): That last intervention from the Conservative Back Benches could have been more appropriate in the Israeli Parliament. Is the Minister aware that if there is a vote at the United Nations, what we do will be seen as how far Britain is genuinely committed to the Palestinian cause and to the creation of a sovereign, independent Palestinian state alongside Israel? Time and again British Governments have said, like today, that they are in favour of a Palestinian state, but so far there has been little action to bring that about.

Alistair Burt: It is because we are well aware of the implications of the United Kingdom vote on any resolution that we are being so careful and working so hard to ensure that a resolution is not couched in terms such that it either leaves one side completely dissatisfied and adds to the frustration or indefinitely extends the chance of reaching a settlement to deal with the frustrations that the hon. Gentleman very properly articulates.

Robert Halfon (Harlow) (Con): Does my hon. Friend acknowledge that when Netanyahu visited the United States in May 2011 he said that he wanted to negotiate with the Palestinians and that Israel would not be the last country to welcome a Palestinian state? However, does he not also agree that it is difficult to negotiate with the Palestinian Authority when its main partner is Hamas, which refuses to recognise Israel or renounce terrorism and continues to fire missiles on Israeli towns?

Alistair Burt: Our position on Hamas is well known and we have no contact with it. However, as we know, there are difficulties on all sides, and each side has reasons why it has not wanted to proceed to negotiations or why it might rebuff others. Equally, each side knows that if it really wants a settlement, it is in its power to try to overcome those difficulties, seek confidence and assurances from each other and move on. What is different now—this may come through next week—is the urgency of the situation, as conveyed by the whole international community. We need to make progress and that requires all sides to be prepared to take the steps to help that happen, difficult though they may be.

Jeremy Corbyn (Islington North) (Lab): For many decades the Palestinian people have sought justice, peace and recognition. The vote in the UN is the culmination of a very good campaign that has been supported by a wide range of Palestinian opinion. Does the Minister

recognise that not to support it—to vote against it—will put the whole cause back a long way and reduce the chances of any kind of long-term peace and settlement in the whole region? He must be more positive than he has been so far today.

Alistair Burt: I am positive about our wanting a situation next week that leads to proper negotiations to see the settlement of the dispute, because of the frustrations that the hon. Gentleman articulates. I cannot be more positive about that than I have been, but there is no resolution yet and I would take issue with the sense that this is the culmination of a campaign. My sense is that the United Nations procedure next week is an important event, but there will be a day after and facts on the ground will not be different the day after. What the UN has to lead to is something that makes the situation on the ground capable of the solution and compromise through negotiations that we need. That will be to the benefit of both the Palestinians and the Israelis alike.

John Hemming (Birmingham, Yardley) (LD): Does my hon. Friend accept that we need to ensure that among the various roads to peace there are at least some without roadblocks on them?

Alistair Burt: The hon. Gentleman raises, in his own way, a practical issue that affects the occupied territories. It is much discussed in this House and, as we are aware, something that a settlement between the two parties will ultimately sweep away, so that we have a viable west bank and Gaza continuing the economic progress that we have seen in recent years, as supported by the United Kingdom. However, those issues have to be dealt with by the parties themselves in the negotiations that we all wish to see.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Polling consistently shows that over 60% of both Israeli and Palestinian communities support a two-state solution. Will the Minister commit to ensuring that everything is done to support the peoples of both countries in their aims and aspirations?

Alistair Burt: I entirely concur with the hon. Lady.

Dr Julian Lewis (New Forest East) (Con): Am I right in recalling that in 1948 the United Nations voted for a hasty two-state solution before agreement had been reached between the parties and that the result was an immediate outbreak of hostilities between them?

Alistair Burt: There are many interpretations of what happened at the UN in 1948, but my hon. Friend is right to suggest that a resolution at the United Nations by itself does not secure the peace between peoples unless it is soundly based on proper recognition, respect and confidence between the two. That is what we earnestly wish to see from the negotiations, which we hope will restart shortly and which we are pressing for as part of our approach to this weekend.

Mr Andy Slaughter (Hammersmith) (Lab): The sense of urgency that the Minister talks about seems to be almost entirely absent from the Government's position. On the contrary, in his response to the right hon. and learned Member for North East Fife (Sir Menzies Campbell) he talked about mutual recognition. Does that not give the game away? Is this not actually about giving the Israeli Government a veto over when a Palestinian state is recognised?

Alistair Burt: No. What I am actually about is what I said.

Bob Blackman (Harrow East) (Con): I welcome my hon. Friend's statement and the words that he used. Personally, I strongly believe that there need to be negotiations between the Israelis and the Palestinians and that at the end of that process the state of Palestine should be recognised. May I therefore urge him to join the United States in the Security Council in vetoing the premature creation of a Palestinian state and also in the General Assembly in voting against such a proposal, but to make it clear that at the end of negotiations, when matters are satisfactorily resolved, we would universally recognise the Palestinian state?

Alistair Burt: My hon. Friend tempts me again to take a position on a hypothetical situation. Let me say again that I cannot go into that until we see a resolution. I stick to the position that I have taken, which is the belief that the United Kingdom must ensure that whatever is tabled next week and whatever gets through the United Nations leads to a proper approach to negotiations in which both sides can feel confident of some movement.

Michael Connarty (Linlithgow and East Falkirk) (Lab): Can I ask the Minister a simple question? I have heard all the problems that he has outlined and the finessing of those on our Benches, but does he agree with those who say that if there is recognition, it would be a barrier to progress? Would it not be better for two nations to recognise each other and continue to negotiate a settlement than for one to reject, acting as a colonial nation, and for the other to be an imprisoned nation?

Alistair Burt: I take the hon. Gentleman's point. The barriers to progress are many, and they are very much about trust and confidence as well as the legacy of negotiations in the past. A situation where one side proclaims victory and the other feels defeat will not help anyone, no matter what the subject matter might be. Let us therefore try to work towards a situation next week where a resolution will not bring that about, which is what many parties are seeking to achieve.

Andrew Percy (Brigg and Goole) (Con): I welcome the Minister's cautious approach on this issue. As said by other hon. Members, there is no way that a unilateral declaration of statehood can make up for negotiations. There is a risk of the issue becoming a battering ram for those who seek the delegitimisation of Israel, so will he give us an assurance that the British Government will take no part in anything that seeks to do that?

Alistair Burt: I can assure my hon. Friend that neither this Government nor the previous one had any truck with the delegitimisation of Israel, and they both took many steps to reject those who tried to project such an image—and that will continue. Ultimately, the relationships between the rest of the world and Israel and, indeed, the rest of the world and the Palestinians will be much affected by the way in which they can work together to get the agreement that we all seek. We will do everything in our power to encourage that.

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): Following the recent terror attacks on southern Israel and the storming of the Israeli embassy in Egypt, does the Minister agree that what Israel needs now is partners and peace on the ground rather than being isolated at the UN?

Alistair Burt: The hon. Gentleman makes a sharp point. The situation in the middle east has changed, not only over months but over weeks. It increases the sense of urgency with which this Government are approaching these next few days and our determination to say to both parties that, in the midst of such instability and concern, what an extraordinary event it would be to go away from the United Nations with something that the international community was confident would lead to progress and in respect of which both sides could accept that they had gained something and would therefore want to respond to the international situation of concern and the need for urgency. That is what we would like to seek.

Mr Robert Buckland (South Swindon) (Con): As someone who supports the creation of a Palestinian state, does the Minister agree with me that if there is to be enhanced or full representation for Palestine at the UN, those representatives need to be able to speak with authority for the majority of decent Palestinians as opposed to an extremist minority?

Alistair Burt: I am sure that the ultimate representation of Palestinians at the UN, which is clearly a matter for the Palestinian Authority, will be decided by what President Abbas said when he announced the relationship with Hamas, stating that it had to live up to the principles of a democratic future state of Palestine, with recognition of previous agreements, recognition of the state of Israel, and an end to violence.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): The Minister continually refuses to give an indication of the approach that the Government will take next week because the negotiations are ongoing. The negotiations, however, are not ones from which the British Government are an absent partner; they are actively involved in those negotiations, so it is fair to ask what attitude the British Government are taking towards them. Will the Minister at least say how the Government would vote on the three particular scenarios put to him by my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg)?

Alistair Burt: I give a straight answer to a straight question. No, I will not respond to those scenarios, for the reasons I gave. I was asked about our approach, but I hope I have made our approach, as well as our determination, very clear. The detail is not there because the detail of a resolution is not before us. Of course it has been widely discussed, and although we are not an active party to the negotiations between Israel and the Palestinians, we have a huge interest. I hope I have conveyed the approach and the intention of the United Kingdom.

Mr Lee Scott (Ilford North) (Con): Does my hon. Friend agree that, as a gesture to make sure that whatever is put forward to the United Nations next week has some credibility, returning Gilad Shalit to his family this week would be a step forward?

Alistair Burt: This Government have long campaigned for the unconditional release of Gilad Shalit. I take my hon. Friend's point: we are all aware that gestures and things could be done that would be highly damaging to the process as a result of what might happen next week, yet extraordinary gestures could be made that would mark a real difference and a step forward. One such gesture would certainly be the release of Gilad Shalit, but that is not, of course, within the control of the Palestinian Authority.

Tony Lloyd (Manchester Central) (Lab): The Minister talks about not handing anyone victory or defeat, but does he recognise that, if the vote were taken and the Palestinians were defeated at the United Nations, this would simply hand an absolute victory to those in Tel Aviv who would recognise that there was no pressure to make any progress whatever?

Alistair Burt: The hon. Gentleman speaks with great experience on these matters, but I have to say that those in the respective foreign affairs departments looking at the issue would recognise that there is significant pressure from the United Kingdom on all. Again, I cannot be tempted to commit to a particular position on a vote that is not yet clear.

Bob Russell (Colchester) (LD): In June, I visited the west bank and east Jerusalem and saw the consequences of the state of Israel's policies of apartheid and ethnic cleansing against the Palestinian people. Bearing in mind that Israel does not honour United Nations resolutions, is it not time that Britain, Europe and the rest of the world treated Israel in the way we treated apartheid South Africa?

Alistair Burt: The consequences of the failure to resolve this long-running matter have many different shades on all sides. That is why it is essential to see it resolved and why we feel a sense of urgency to do so.

Mr Denis MacShane (Rotherham) (Lab): First, can the Minister confirm that Britain is not going to participate in the UN so-called Durban III conference? Secondly, will there be a common EU position on the question of recognition of Palestinian independence?

Alistair Burt: Two good questions. First, yes, I can confirm that there will be no UK participation at Durban III. Secondly, the more effectively EU partners can work together, the better, and we are much in contact with each other at this time.

Mr Matthew Offord (Hendon) (Con): Does the Minister agree that the real judgment should be for an agreement between Israel and the Palestinians, particularly on mutual recognition, security guarantees, an end to violence and incitement, settlements, borders, Jerusalem, refugees and other day-to-day trade issues, and that any intended UN declaration, including on observer status, simply evades all those issues?

Alistair Burt: As my hon. Friend has made clear and as I mentioned in the course of my remarks, many subsidiary issues—hugely important ones—are being considered at the same time as any potential resolution. Of course, he makes the point that much of this is

wrapped up together, so taking one position out of all those and believing it to be definitive is highly unlikely. That is why we continue to press for both sides to be in negotiations on all the issues that my hon. Friend mentioned.

Several hon. Members *rose—*

Mr Speaker: Order. I am grateful to the Minister. I have done my best to accommodate the level of interest of colleagues and I apologise to those whom I have not been able to accommodate. If the hon. Member for Ealing Central and Acton (Angie Bray)would stop wringing her hands and listen to the explanation, she might leave better informed. There is a business statement to come and two very heavily subscribed debates are to take place under the auspices of the Backbench Business Committee. Ordinarily, I try to get everybody in; I cannot today. I hope that it is understood.

Business of the House

12.7 pm

Hilary Benn (Leeds Central) (Lab): Will the Leader of the House give us the forthcoming business?

The Leader of the House of Commons (Sir George Young): The business for the week commencing 10 October will be:

MONDAY 10 OCTOBER—Remaining stages of the Protection of Freedoms Bill (day 1).

TUESDAY 11 OCTOBER—Remaining stages of the Protection of Freedoms Bill (day 2).

WEDNESDAY 12 OCTOBER—Opposition day [unallotted day]. There will be a debate on an Opposition motion. Subject to be announced.

THURSDAY 13 OCTOBER—Motions relating to the use of hand-held electronic devices in the Chamber and Committees (HC 889), improving the effectiveness of parliamentary scrutiny (HC 800) and ministerial statements (HC 602), followed by general debate on High Speed 2.

The subjects for these debates were nominated by the Backbench Business Committee.

The provisional business for the week commencing 17 October will include:

MONDAY 17 OCTOBER—Motion relating to MPs' pensions, followed by motion relating to disclosure and publication of documents relating to the 1989 Hillsborough disaster. The subject for this debate was nominated by the Backbench Business Committee.

TUESDAY 18 OCTOBER—Remaining stages of the Pensions Bill [*Lords*].

WEDNESDAY 19 OCTOBER—Opposition day. There will be a debate on an Opposition motion. Subject to be announced.

THURSDAY 20 OCTOBER—Consideration of Lords amendments.

FRIDAY 21 OCTOBER—Private Members' Bills.

I should also like to inform the House that the business in Westminster Hall for 13 and 20 October will be:

THURSDAY 13 OCTOBER—A debate on responses to the riots.

THURSDAY 20 OCTOBER—A debate on scrutiny of arms export controls (2011): UK strategic export controls annual report 2009, quarterly reports for 2010, licensing policy and review of export control legislation (HC 686).

Finally, on 12 July, the House was able to convey its gratitude to Sir Malcolm Jack on his retirement from the office of Clerk of the House. As today is the last sitting day before the Clerk retires, may I take this further opportunity on behalf of the House to reiterate our gratitude and to send him our warmest wishes for the future?

Hilary Benn: I am grateful to the Leader of the House for that reply. On behalf of the Opposition, may I join him in expressing again our thanks to Sir Malcolm for everything that he has done in the service of the House and of our democracy, and in wishing him all the best for the future?

[Hilary Benn]

May we have a statement from the Prime Minister on why, at Prime Minister's questions, he keeps saying things that simply do not accord with the facts. Yesterday, he told the House:

"Bank lending is actually going up."—[*Official Report*, 14 September 2011; Vol. 532, c. 1034.]

Wrong. The Bank of England's most recent data show that overall lending to businesses is falling. Yesterday he also claimed that private sector employment has increased by 500,000. Wrong. The Office for National Statistics confirms that private sector employment increased by only 264,000 in the year to June 2011. In answering a question about growth in the European Union by trying to talk about America instead—curiously, as America has not been part of Europe for nearly 250 years—he claimed that the UK is growing faster than the United States. That was wrong too. The US economy has grown by 2.6% over the past year to the end of the second quarter, while the UK has grown by only 0.7%.

The Prime Minister takes the most important decisions, and he has a responsibility to do so on the basis of accurate facts, yet it is now clear that he is repeatedly getting things wrong. It might be incompetence—he might actually believe all this stuff—but either way, it is no wonder that the public are losing confidence in the Government's economic policy.

May we have a debate on the recommendations of the Boundary Commission for England? The Leader of the House will be aware of the deep disquiet, not to say anger, about the proposals, which, in places, will divide communities and destroy relationships that have been built up over many years between constituents and their Members of Parliament, and all in pursuit of an over-rigid mathematical formula. For example, there is a proposed constituency for Gloucester minus the cathedral that makes it a city, and one for a new seat called the Mersey Banks, covering three different local authorities, where one would have to leave the constituency three times and go over a bridge to get from one end of it to the other. It is no wonder that words such as "muddle", "utterly random" and "barking" have been heard this week. Even the mild-mannered Business Secretary has complained.

This is only the beginning because, as the House will be aware, the same inflexible formula will be applied every five years from now on, so we can expect further regular disruption, with MPs and their constituents not knowing who will be representing whom next. Given the disruption that the changes will bring, I suspect that quite a few Members who voted for the Bill that led to the proposals will now be saying to themselves, "What have we done?"

May we have a statement on reports that the Government propose to ask bereaved relatives, including those on low incomes, for payment when they go to register the death of a loved one? The charge, estimates of which vary from £100 to £180, is apparently intended to pay for a new system to check on causes of death, but the cost, which is no longer to be hidden in funeral directors' charges, will be collected when families turn up, often in a distressed state, at the register office, or they will be sent an invoice later. Given that the Conservative party made such a fuss at the last election about a so-called death tax, will a Minister explain at the Dispatch Box why they now plan to impose one?

Finally, having mentioned Mr Steve Hilton last week, this week we have been helpfully provided with a restricted memo from his comrade at No. 10, Mr Andrew Cooper. Headed, "The problem", it reveals that women voters just do not like this Government. In a damning section, it says that

"we are clear that there are a range of policies we have pursued as a Government which are seen as having hit women, or their interests, disproportionately, including: Public sector pay and pensions…Tuition fees, Abolition of Child Trust Funds, Changes to child tax credit and the childcare element, Changes to child benefit."

Mr Cooper is clearly a man who can get his judgment and his facts right. We wish him well in trying to persuade his boss to do the same.

Sir George Young: Yet again the right hon. Gentleman has made no substantive criticism of the business the Government have laid before the House for the next two weeks. He will have noted that we have allocated two days for the Report stage of a Bill, which was virtually unheard of in the Government of whom he was a member.

On statistics, may I say to the right hon. Gentleman that he should look carefully at the dates to which the statistics that he read out apply. He might well find that the Prime Minister's statistics were perfectly accurate, and that the ones that he used were also accurate. The period over which one takes statistics is crucial, and 'twas ever thus.

On the Boundary Commission, it is indefensible that a constituency such as Arfon currently has some 40,000 voters, whereas East Ham has more than 90,000. That is the position that the boundaries Bill, which is now on the statute book, was set to address. We are also reducing the numbers of Members of Parliament. This House is the largest directly elected Chamber in the whole of Europe, and we believe that Members can perfectly adequately represent 77,000 people, and many already do. I am sorry if the right hon. Gentleman has been inconvenienced by the proposals. I understand that there might be an interesting discussion between him and the shadow Chancellor, and my sympathies are entirely with him. He knows better than anybody that the place to make such representations about boundaries is not in the House, but to the Boundary Commission.

Chris Bryant (Rhondda) (Lab): What about your boundaries?

Sir George Young: This is my fifth boundary review. I have been expanded, reduced and abolished. These reforms have no surprises.

The right hon. Gentleman raised a serious issue about the fees that are payable on the registration of a death. The issue may arise from the coroners legislation, and I will ask the Lord Chancellor to write to him with a response.

The right hon. Gentleman ended with a reference to Mr Hilton. Last week, the right hon. Gentleman bombarded me with seven requests for debates, and I assumed that the Opposition would choose at least one of them for the Opposition day on Tuesday, but not one of the subjects that he felt were so important last Thursday appeared on the agenda. I think we have rumbled him. For him, these sessions are just as much opportunities to display his great sense of humour as to make serious bids for debates.

Philip Davies (Shipley) (Con): May we have a debate on social mobility and aspiration? I am sure that many people were touched by the report in *The Sunday Times* of an 11-year-old girl, Aliyah Tribak, who was desperately trying to raise funds to go to the independent school that she wanted to get into but could not afford, as she is from a deprived background in Tower Hamlets. If the Government are serious about social mobility and allowing people to meet their aspirations, surely it is time that we reintroduced the assisted places scheme, so that the best schools in the country are available to the poorest and not just the preserve of the rich and privileged.

Sir George Young: I understand the forceful case that my hon. Friend makes for the restoration of assisted places. Our view is that the best way to make progress is to pursue our policy on free schools, which inevitably have a much broader catchment area than those of the independent sector, and to drive up standards for all children in all schools, which is the thrust of my right hon. Friend the Education Secretary's policy. I hope that that will achieve the objectives of social mobility and aspiration that my hon. Friend has just enunciated.

Natascha Engel (North East Derbyshire) (Lab): May I add my thanks to Sir Malcolm Jack and wish him every success for the future?

In his business statement, the Leader of the House mentioned a couple of Back-Bench debates, one on Hillsborough and the other on the riots, both of which arguably started as a result of an e-petition that reached 100,000 signatures. At Tuesday's meeting of the Backbench Business Committee, we discussed the best way to proceed with e-petitions, and decided that in the short term we were only able to hear proposals involving e-petitions directly from Members as part of a bid, which we would consider on their merits as we would for normal bids. The Committee will continue to discuss the matter to find a long-term solution for dealing more satisfactorily with e-petitions and to ensure that, rather than becoming gimmicks, they are meaningful. Until we find such a long-term solution, will the Leader of the House commit to giving the Backbench Business Committee additional time to accommodate the new e-pressures that the Government have put on us?

Sir George Young: I am grateful to the hon. Lady and her Committee for finding time to debate the two e-petitions that had crossed the 100,000 threshold. We note her public service announcement that e-petitions will be debated only if they are picked up by a Member and then formally presented to her for debate.

The hon. Lady asked about time for her Committee. As I have said on earlier occasions, we will honour the commitment to a minimum of 35 days in a Session, and because the current Session is longer, more than 35 days will be provided. Now that the bulk—although not all—of the legislative programme has been completed in the House of Commons, I hope that in the months and weeks ahead it may be possible to find more headroom for Backbench Business Committee debates. As is clear from the business that I have just announced, there will be more time for the Committee than there has been in recent weeks.

Mr Edward Timpson (Crewe and Nantwich) (Con): Very tragically, a toddler was killed last year in a house fire in my constituency. The inquest has now reported that the fire was caused by another child playing with matches, which then ignited a highly flammable mattress. Could time be found for a debate on fire safety, which would include advice on preventing access to flammable materials and on the use of flame-retardant furnishings to help reduce the risk of such tragic events happening again in the future?

Sir George Young: The whole House will have been sorry to hear of the loss of life of the toddler in my hon. Friend's constituency. I believe that there are restrictions on the materials that can be used in many items of furniture. However, I will raise the instance that the hon. Gentleman has given with the Under-Secretary of State for Business, Innovation and Skills, the hon. Member for Kingston and Surbiton (Mr Davey), who is responsible for consumer affairs, and see whether there are any further steps that we can take to avoid a repetition of the tragedy.

Jack Dromey (Birmingham, Erdington) (Lab): The Government have proposed the most fundamental changes to our planning system for 64 years. Widespread concern has been expressed about the fact that the national planning policy framework fails to strike the right balance between growth on one hand, and the protection of our natural environment and ensuring a real say for local people on the other. Do the Government intend to put the final draft of the framework to Parliament, following full consultation, so that both Houses can vote on it?

Sir George Young: The hon. Gentleman will know that there is a period of consultation on the draft national planning policy framework. The Minister of State, Department for Communities and Local Government, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), who has responsibility for planning, has on many occasions sought to reassure both the House and the country as a whole that our policies—unlike some designed by our opponents—will create sustainable growth, but not at the expense of the environment and the green belt. The framework does not override local plans, and it protects the green belt, areas of outstanding natural beauty, sites of special scientific interest and the rest. I personally would welcome a debate at the end of the process, so that the House could have an opportunity to let its views be heard on this important issue.

Harriett Baldwin (West Worcestershire) (Con): May we have a debate on the relative merits of unilateral and multilateral approaches to the taxation of banks? This Government introduced a unilateral tax on bank balance sheets. We could discuss whether that is a better approach than waiting for a global tax, which I think would still not have come about.

Sir George Young: My hon. Friend is absolutely right: we would still be waiting for the global tax if it had been necessary to secure universal agreement before it went ahead. She is also right to remind the House of the unilateral bank levy that we introduced, which will raise almost £10 million during the current Parliament. The one-off bonus tax proposed by the Labour party has real disadvantages, not least the fact that the person who designed it says that a permanent tax would not work.

Ian Mearns (Gateshead) (Lab): In my constituency, which adjoins Newcastle, four young people have died in recent months after taking cocktails of substances including legally dispensed methadone which has been sold on to them. May we have a statement from the Secretary of State for Health about what he will do to try to prevent such tragic events from occurring again?

Sir George Young: The hon. Gentleman will have an opportunity to put those questions to the Secretary of State for Health on Tuesday 18 October. In the meantime, I will write to the Secretary of State asking whether any further steps are possible—in addition to those that we have already taken—to stop the unnecessary loss of young life among those who are taking these concoctions.

Bob Russell (Colchester) (LD): Could time be found for an urgent debate on a new European Union directive which, according to the charity Diabetes UK, will result in up to 1 million people with diabetes having their driving licences taken away? It would appear that the Driver and Vehicle Licensing Agency is applying the directive far more swiftly than it is being applied in other countries. The ban is due to be introduced next month, so may we have that urgent debate?

Sir George Young: I understand my hon. Friend's concern. I do not know whether he was present for Transport questions earlier today and had an opportunity to raise the issue with my right hon. Friend the Secretary of State, but I am aware of the draft directive, and will raise it with my right hon. Friend and ask him to drop the hon. Gentleman a line.

Mr John Spellar (Warley) (Lab): I think it is generally agreed that the Select Committee system is increasingly showing its worth, but the Leader of the House will be aware of two emerging difficulties: the refusal of witnesses to attend, and the level of veracity of the evidence given. Will he arrange a debate to explore possible remedies, or undertake to consider the issues and report back to the House?

Sir George Young: I understand the right hon. Gentleman's concern, but I think the issue would be best explored in the first instance through an informal meeting between me and the Liaison Committee, as I imagine that it affects a number of Select Committees. I should be more than willing to engage in such a discussion to establish whether any further steps are necessary.

Mr Peter Bone (Wellingborough) (Con): My constituency contains the villages of Irchester and Wollaston, which are separated by some beautiful countryside. I have been contacted by residents who fear that the Government's planning proposals will lead to the land being concreted over. Further to the question asked by the hon. Member for Birmingham, Erdington (Jack Dromey), may we have a debate that would expose the myth that the Government's planning legislation will concrete over the whole of the countryside?

Sir George Young: I am grateful to my hon. Friend for the role that he is playing in demolishing such myths. I said earlier that I would welcome a debate on the draft national policy framework, but if there is a local plan, local people can protect that piece of land from development. I think the message conveyed by my hon. Friend's question is that it is important for each local authority to have an up-to-date local development plan, informed by local opinion, so that any development that takes place has a local consensus behind it.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): The Leader of the House will be aware that the public service workers are to be balloted on industrial action aimed at protecting their pensions—industrial action that the workers do not want and the country does not need. Even at this late stage, can the Leader of the House use his good offices to ask the Government to demonstrate, not with warm words but with action, that they are taking the negotiations seriously?

Sir George Young: With the greatest respect to the hon. Gentleman, I wonder if I could put the same question to him. Can he use his good offices to persuade the relevant unions to call off the action? It is unnecessary, it would damage economic growth and recovery, and many of us consider it to be wholly premature.

David Tredinnick (Bosworth) (Con): Will my right hon. Friend ensure that the House can vote before Christmas on our sitting hours? The Procedure Committee is considering both sitting hours and the calendar of the House, but would it not be best for us to have a report on sitting hours? I think that there is a strong wish to return to the earlier start on Tuesdays that operated between 2003 and 2005.

Sir George Young: My hon. Friend will know that the Select Committee on Procedure is conducting an inquiry into the parliamentary calendar, and I understand that some eight hon. Members gave evidence to it yesterday. I am not sure that the Committee is planning to report within the time scale that my hon. Friend has suggested, but certainly any change in the sitting hours will be subject to a vote in the House, which I suspect will take place some time next year.

Mr Dave Watts (St Helens North) (Lab): Before the election the Prime Minister promised to take tough action against people who are involved in knife crime, but we know from the latest figures that people who are involved in such crimes are now less likely to go to jail. May we have an urgent debate on the matter?

Sir George Young: We have had an opportunity to debate the Government's proposals on legislation. We have taken a much tougher approach to those who carry knives and then engage in aggressive behaviour, who are now more likely to end up in prison than was the case before.

Martin Vickers (Cleethorpes) (Con): On hearing threats of industrial action emerge from the TUC conference, my constituents are understandably concerned about the impact on their children's education and the emergency services, for example. Can the Leader of the House find time for a debate on industrial relations, so that Members can express their views on whether we need to strengthen the laws governing strike ballots?

Sir George Young: It is very disappointing that there have been proposals for ballots on industrial action while negotiations are still going on between the Government and the unions. Any such action would be premature. We have no plans at this stage to change the legislation on industrial action, but we will

monitor the application of the law in that important area, particularly if strike action takes place, and we will bear all views in mind if it does prove necessary to reassess the legal framework.

Diana Johnson (Kingston upon Hull North) (Lab): I am very pleased that the Prime Minister and the Secretary of State for Business, Innovation and Skills have now said that bringing Siemens to Hull is a key priority for the Government, but may we have a debate so that we can learn whether Department of Energy and Climate Change Ministers have a long-term commitment to the offshore wind energy sector?

Sir George Young: I understand that such commitments have already been given in broad terms by my right hon. Friend the Secretary of State for Energy and Climate Change. There will be an opportunity on 20 October to press him further on these issues; in the meantime, I will share the hon. Lady's concern with him.

Nick de Bois (Enfield North) (Con): Will the Leader of the House grant an urgent debate on the future of my local hospital, Chase Farm, not least because before the general election my constituents were joined by the Prime Minister on their "Save our A and E" campaign and given assurances, and unsurprisingly they and I feel utterly let down?

Sir George Young: I understand my hon. Friend's disappointment. We said before the election that there would be a moratorium on such closures, and there was a moratorium. That case was re-examined in light of the four criteria set out by my right hon. Friend the Secretary of State for Health. He asked the borough council to see whether an alternative configuration could be developed, but that was not the case, and an independent review showed there were real safety issues in the current configuration. Against that background, difficult decisions were taken, but I understand that those decisions have the support of local doctors.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): After lots of time, effort and money, the Department for Work and Pensions central complaints champions have come up with, and circulated to all DWP outlets, the groundbreaking formula that a complaint

"is an expression of dissatisfaction about the service"

received. Please will the Leader of the House inquire of his DWP colleagues what this exercise has cost? Would not the money have been better spent on staff and on the pensions of the people working in benefits offices, who are delivering the service to those who have been made unemployed by this Tory Government, with unemployment now at levels not seen since the '80s?

Sir George Young: I am sorry to hear the hon. Gentleman's account of that incident. I will ask my right hon. Friend the Secretary of State for Work and Pensions to write to the hon. Gentleman about it.

Andrew Stephenson (Pendle) (Con): Will the Leader of the House grant us a debate on banking and specifically the Vickers report, so that we can discuss why the Labour party continues to oppose real reform and instead supports the failed system?

Sir George Young: My hon. Friend will have heard the Chancellor's statement earlier this week. The Government are now examining the report in detail and we want to keep the House updated on its implementation. We welcome the report and have given our support to its central recommendations. An initial response will be given by the end of the year. We were all pleased, if somewhat surprised, to hear the shadow Chancellor apologise on Tuesday for being partly responsible for the failed system of regulation under the previous Government.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): May we then have a debate on bank charges, following the news this morning that both RBS and Clydesdale bank are, for the first time in their history, to charge credit unions for banking services, so that we can make our view clear that banks should not pass on their charges to vulnerable organisations and customers in the current circumstances?

Sir George Young: I understand the hon. Gentleman's concern. One of the Vickers report's recommendations is that it should be much easier to switch accounts from one bank to another. I therefore hope that if a bank raises its charges, it will be easier for people to transfer their custom to a bank that offers a more competitive service.

Jake Berry (Rossendale and Darwen) (Con): Will the Leader of the House grant a debate on the independence of British newspapers? Yesterday while perusing his copy of the *Morning Star,* he may have read, beneath the headline "Could You Be Any More Wet", the TUC's reaction to the Leader of the Opposition described as "heckling, derisive laughter" and "deflation". Given that dramatic about-turn, may we have a debate on that, too?

Sir George Young: I am afraid that I did not read yesterday's *Morning Star,* but I am grateful to my hon. Friend for providing me with an abbreviated edition. The ownership of newspapers was the peg on which he hung his question, and that is a matter for the Leveson inquiry.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I associate myself with the tributes to Malcolm Jack? Not only has he been a brilliant, innovative, modernising Clerk, but he shares with me the privilege of having graduated from the London School of Economics.

On our return after the recess, may we have an urgent debate on what is going on in Iceland? It still owes this country billions of pounds, which it refuses to pay to local authorities and individuals, and it is becoming quite a rogue state in that it is colluding with Japan in killing minkes and other whales and is now making arrangements with the Chinese Government to exploit the natural resources that are the inheritance of us all.

Sir George Young: The hon. Gentleman, using some fairly stark language about Iceland, has raised a number of issues, some of which fall to the Treasury, while others, I suspect, fall to the Department of Energy and Climate Change. I will raise them with my colleagues. I am unsure whether there is any direct action that we can take on any debts of the Iceland Government, but he will know that there are some consequentials from the failure of the Kaupthing bank.

Jeremy Lefroy (Stafford) (Con): Agriculture and food processing industries play a vital role in Staffordshire and exports from these sectors are increasing year on year. May we have a debate on the contribution they can and will make to growth and employment, provided that that is not impeded by unnecessary regulation, of which we see more looming across the channel?

Sir George Young: I have every sympathy with my hon. Friend's request. He might like to present himself to the salon of the Backbench Business Committee to suggest such a debate. We will support British farming as much as we can and encourage sustainable food production, so that we can have a secure, environmentally sustainable and healthy supply of food with improved standards of animal welfare.

Nic Dakin (Scunthorpe) (Lab): Sadly, the number of assaults on NHS staff appears to be on the increase. May we have a debate about how we might ensure the safety and security of health workers?

Sir George Young: I deplore any assaults on those who work for the NHS. In the first instance, it would be for the local NHS trust to take up any such problems and improve security. If the hon. Gentleman can pass on to me specific examples from his constituency, I will raise them with my right hon. Friend the Health Secretary and see whether there is any role for the Government to play in reducing the number of attacks.

Mr Philip Hollobone (Kettering) (Con): My right hon. Friend will be pleased to see that the Backbench Business Committee has scheduled two e-petitions debates, one on the Hillsborough disaster and another on the response to the riots. Does my right hon. Friend agree that this is a golden opportunity to show due courtesy and respect to the hundreds of thousands of petitioners by setting a precedent and having a Cabinet Minister present to respond to both debates?

Sir George Young: I am grateful to my hon. Friend for raising that subject. As I have said before, there have been occasions when a Cabinet Minister has responded to a debate in Westminster Hall. I will certainly pass on to the relevant Minister my hon. Friend's specific request for the debate on Hillsborough, so that he is aware of the feeling in the House that it would be appropriate for him to respond.

Mrs Madeleine Moon (Bridgend) (Lab): On 9 June, the Leader of the House agreed to use his considerable influence to seek a decision about the Pingat Jasa Malaysia medal, as we were then awaiting the decision of the medals review. I was told that it was hoped that there would be a decision by the summer, but the summer has come and gone and my questions are being bounced between the Ministry of Defence, the Foreign Office and the Cabinet Office, leading me to wonder if the "Circumlocution Office" is again operating. May we have a statement immediately after the House returns in October on what is happening in that medals review and when we can expect the brave veterans concerned to be able to wear their medal with pride?

Sir George Young: I understand the hon. Lady's impatience to get a decision, but the summer has not, I hope, entirely gone—some of us have lingering hopes there might be a few days of sunshine left. I will, however, raise the issue with the relevant Minister and see whether we can expedite a decision, as I know the process has gone on for quite some time.

Several hon. Members *rose—*

Mr Speaker: Order. We are short of time. May I appeal to colleagues to ask single, short—one sentence—business questions of the Leader of the House? This would be a dramatic breakthrough and of benefit to the House as a whole. I know that a fine example will be set by the hon. Member for New Forest East.

Dr Julian Lewis (New Forest East) (Con): I was afraid that you were going to pick me, Mr Speaker. May we have a debate on the importance of in-patient beds in acute mental health facilities, given that those at Woodhaven hospital in my constituency face the possibility of closure, unless people write in urgently to the consultation that is under way?

Sir George Young: I understand my hon. Friend's concern. As he says, a consultation process is under way to which I urge him to respond, although I am sure that he has already done so. I know that others will have heard our exchange and that if they share his concern, they also will write to the NHS trust.

Mr Speaker: I am pleased to say that they will also have heard the single sentence from the hon. Member for New Forest East, and I feel sure that they will have appreciated it.

Mr Frank Roy (Motherwell and Wishaw) (Lab): Last week, on a visit to my local Remploy factory in Wishaw, I met some disabled people who are genuinely terrified that they are about to lose their jobs and see their factory close. Will the Leader of the House give time for a debate on that very serious subject?

Sir George Young: Of course I understand the concern of anybody who is confronted with the possible loss of their job. I will raise the matter with my right hon. Friend the Secretary of State for Business, Innovation and Skills and ask him to write to the hon. Gentleman.

Andrea Leadsom (South Northamptonshire) (Con): In the light of the Prime Minister's renewed commitment to strengthening families and the fact that the Northamptonshire Parent Infant Project has now opened in my constituency, may we have a debate on the crucial importance of the foundation years and early intervention in families who are struggling to bond with their new babies?

Sir George Young: I entirely agree with my hon. Friend. I hope that she will apply for an Adjournment debate, where we might be able to debate the matter at more length than the Speaker is likely to allow me now.

Mr Denis MacShane (Rotherham) (Lab): May we have a serious debate on the boundary changes? We have no intermediate levels of government in our country, we are reducing the number of elected people and we are increasing the power of unelected officials from Brussels, from Whitehall and from town halls. We are taking away the voice of the citizens of Britain. This is a serious diminution of parliamentary democracy.

Sir George Young: What the right hon. Gentleman proposes would be totally irregular. It is for the Boundary Commission to decide our boundaries. The matter will be debated at the end of the process, when the order comes before the House.

Andrew Bridgen (North West Leicestershire) (Con): May we have an urgent debate on controlling the deficit? The Government have clearly set out their spending plans, but such a debate might allow us to clarify how they compare with the plans of the Labour party, which in government did so much to create the deficit we inherited.

Sir George Young: I am grateful to my hon. Friend for that question. It is worth reminding the House that the reductions in public expenditure this year are only £2 billion more than what was planned by the outgoing Labour Government.

Michael Connarty (Linlithgow and East Falkirk) (Lab): May I ask the Leader of the House to use his good offices to encourage the relevant Minister in the Department responsible for social inclusion to have a debate on the human rights of the deaf community in the UK, instead of leaving it to the Minister responsible for culture and communications when deaf people are denied access to video relay and use of British sign language?

Sir George Young: I understand the concern, I will raise it with the appropriate Minister and ask that the hon. Gentleman be sent a written reply.

Tony Baldry (Banbury) (Con): May we have an early debate on the Government's planning proposals, to give us all the opportunity to dispel the inaccurate myths being promoted by the Campaign to Protect Rural England and some other organisations, and to make it clear to the country that the Government's planning proposals will substantially enhance the ability of and opportunity for local councillors and local people to affect what happens in their own areas?

Sir George Young: My hon. Friend served with me as a Planning Minister—

Tony Baldry: Four years.

Sir George Young: Indeed, for four years. He therefore has some insight into the planning process. I indicated earlier that I would welcome a broader debate on planning policy so that the myths can be laid to rest.

Chris Bryant (Rhondda) (Lab): Will the Leader of the House set aside time every week for "PMT"? As I understand it, his defence of the Prime Minister is that when the Prime Minister says something, for us to understand the statistic we just need to know the timeline he is applying to it. If the Prime Minister had a "Prime Minister's Timeline" session every week, we would be able to understand that when he says, "Growth in the UK is bigger than in the United States of America", he means that that was so under a Labour Government.

Sir George Young: The short answer is no.

Mr Matthew Offord (Hendon) (Con): In 2004, the Wood report said that many British companies were at a disadvantage because of European Union procurement laws. Bearing that in mind, and given the disastrous procurement by the previous Labour Government of the Thameslink rolling stock contract, may we have a debate to address that, so that we can really have British jobs for British people?

Sir George Young: I hear what my hon. Friend has said. That matter was raised in Transport questions. We are reviewing the procurement rules to see whether British companies can compete on a level playing field with others when such contracts come up again.

Mr Speaker: Just in case I was unclear earlier, I ought to say that at no stage has there been anything wrong, irregular or in any way objectionable about the length of the Leader of the House's replies. I was referring purely to the questions.

Mr David Nuttall (Bury North) (Con): May we have a debate on the "Review into the Needs of Families Bereaved by Homicide" report issued by the Commissioner for Victims and Witnesses, so that this House can consider how its recommendations should be dealt with?

Sir George Young: We are grateful to Louise Casey for producing the report and we all applaud the work of victim support schemes in our constituencies. I would welcome such a debate. I remind the House that, following the report's publication, we have made £500,000 available to take forward some of the immediate recommendations.

Mr Clive Betts (Sheffield South East) (Lab): May I ask for a debate on the criteria used by the Boundary Commission in its review and the inherent instability built into the system for the future? A city such as Sheffield has wards of 14,000 people, so only a small amount of house building in a new constituency such as mine is likely to mean that in five years' time, there will be a knock-on effect in Rotherham, Doncaster and Barnsley, because the ward size in Sheffield is such that it will not be possible to carry out further reorganisation there. This complete reorganisation is bad for democratic accountability.

Sir George Young: I repeat what I said earlier: it would be quite wrong of this House to get involved in the detailed boundaries that will be set out under the review process. The place for the hon. Gentleman to make his representations is not here; it is to the Boundary Commission.

Dr Andrew Murrison (South West Wiltshire) (Con): May we have a debate on attempts by the EU High Representative for foreign affairs and security policy to force through the creation of a permanent military headquarters for the European Union, using the artifice of permanent structured co-operation under the Lisbon treaty and contrary to the wishes of this Government?

Sir George Young: If it is contrary to the wishes of this Government, I very much hope it will not happen. There will be an opportunity at the next Defence questions

[Sir George Young]

to raise the matter, but in the meantime I will share my hon. Friend's concern with the Secretary of State for Defence.

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): I have evidence that Scottish Enterprise, Scotland's economic development agency, is behaving in a manner and using practices that may damage sustainable economic growth in my constituency—that evidence has been brought to me by constituents. In addition, it would appear to suggest that connected, highly questionable planning practices are also taking place within the Scottish Government, which could also damage economic development in my constituency. I brought those matters to the attention of Sir Peter Housden, the permanent secretary to the Scottish Government, and reminded him of his responsibilities under the civil service code. I have also called for an independent inquiry into these matters, but all I have had in response is obfuscation, diversionary tactics and a point-blank refusal by a senior civil servant to look into my evidence and complaints—

Madam Deputy Speaker (Dawn Primarolo): Order. When the Speaker said one question, he did not mean one that lasted five minutes.

Mr McCann *rose—*

Madam Deputy Speaker: That was the question.

Sir George Young: It sounded from the question as though this is a matter that has been devolved to the Scottish Government. None the less, I will raise the issue that the hon. Gentleman has just touched on with my right hon. Friend the Secretary of State for Scotland to see whether there is a role for the Westminster Government to play.

Alun Cairns (Vale of Glamorgan) (Con): A number of my constituents and 20,000 others across the United Kingdom have lost significant sums in the Arch Cru investment fund as a result of improper regulation. Will the Leader of the House agree to a debate on this subject, so that they can hear the issues being aired and, I hope, demand compensation?

Sir George Young: I commend the campaign being run by my hon. Friend. Many MPs have received letters from constituents who have been affected by that failure. As he may know, the Financial Services Authority is investigating the case, but I will raise his concerns with Treasury Ministers. Although I cannot promise a debate, I hope that I can promise him a letter.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): For the third time in a year, the Under-Secretary of State for Transport, the hon. Member for Hemel Hempstead (Mike Penning), has withdrawn proposed regulations on ship-to-ship oil transfer in British waters. Given that the reason for the latest delay appears to be a wish to comply with Government policy on simplifying regulation, will the Leader of the House intervene to cut the red tape and help the Minister, if necessary by providing time in which legislation can be brought to the House, so that we can resolve this matter on which we have been waiting for action for almost two years?

Sir George Young: I do not know whether the hon. Gentleman had an opportunity to raise that issue just now in Transport questions, but I will raise it with the Secretary of State and see whether we can cut through the red tape.

Christopher Pincher (Tamworth) (Con): May I join my hon. Friend the Member for Cleethorpes (Martin Vickers) in asking for a debate on the proposed trade union strikes, so that the public have an opportunity to see where this House, including the shadow Chancellor, stands—on the side of the British public, or on the side of the trade union barons who are intent on disrupting our public services and damaging our economy?

Sir George Young: I would welcome such a debate, but I cannot provide the time. My hon. Friend will know that the basis for the discussions between the Government and the trade unions is the report Lord Hutton produced earlier this year, which proposes a fairer balance between, on the one hand, the beneficiaries of public sector pensions and, on the other hand, taxpayers. Further discussions are due to take place next Tuesday. I hope the trade unions will respond, and in the meantime I think that it would be quite wrong to go ahead with industrial action.

Bob Blackman (Harrow East) (Con): Given that Harrow council has issued a tender document for the procurement of bailiff services that requires the successful tenderer to pay back to the council 10% of the fee they obtain from the person from whom they collect the debt, may we have an urgent debate on the use of bailiffs, the services provided and the fees allowed, so that this House can express its view on such unfair practices?

Sir George Young: The Government have given a commitment to provide better protection against aggressive bailiffs, so I can offer some encouragement on that part of my hon. Friend's question. On the first part, I will ask Department for Communities and Local Government Ministers whether there is any irregularity in Harrow council seeking a kick-back from any contract that it lets.

Kris Hopkins (Keighley) (Con): The Leader of the House will no doubt have been shocked as I was to hear that two senior members of the Ulster Unionist party have been summoned to Orange Order disciplinary proceedings after they attended the funeral of the murdered Catholic police officer, Ronan Kerr. May we have a short debate in which all Members of this House can demonstrate our support for Tom Elliott and Danny Kennedy and recognise the responsible way in which they have offered leadership to that community?

Hon. Members: Hear, hear!

Sir George Young: I am grateful to my hon. Friend for raising this matter. I cannot provide time for a debate but I will draw to the attention of my right hon. Friend the Secretary of State both my hon. Friend's remarks and the support that he had from other hon. Members in the House.

Point of Order

12.52 pm

Diana Johnson (Kingston upon Hull North) (Lab): On a point of order, Madam Deputy Speaker. On 30 June, I wrote to the Prime Minister about serious concerns I had about an answer he gave in Prime Minister's questions about the protection of children from paedophiles under the Protection of Freedoms Bill. Three months on, I have not yet received a response and I wondered whether you could do anything to encourage the Prime Minister to respond to me, as the Bill will be before the House when we return in October.

Madam Deputy Speaker (Dawn Primarolo): I am sure that the hon. Lady appreciates that that is not a matter for the Chair and is therefore not a point of order. Those on the Treasury Benches will have heard her comments and I am sure that the Prime Minister, like all Ministers, will want to give prompt replies to correspondence from Members of this House. If she wishes to take it further, she could go to the Table Office to find out how else she can ensure that she receives a prompt reply.

ROYAL ASSENT

Madam Deputy Speaker (Dawn Primarolo): Before we move to the main business, I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Police Reform and Social Responsibility Act 2011

Fixed-term Parliaments Act 2011.

Backbench Business

[31ST ALLOTTED DAY]

Food Security and Famine Prevention (Africa)

Madam Deputy Speaker (Dawn Primarolo): Before I call Amber Rudd to move the motion, I inform the House that after the opening speeches from each side there will be a six-minute time limit on Back-Bench contributions in this debate, as a large number of Members wish to participate.

12.54 pm

Amber Rudd (Hastings and Rye) (Con): I beg to move,

That this House welcomes the contribution of the British public, via the Disasters Emergency Committee, and the British Government to the famine relief effort in the Horn of Africa; recognises that emergency food relief must always be the last resort and that improving the productivity and resilience of domestic agricultural systems in Africa must be a priority for the UK and the international donor community; and calls upon the Government to increase its focus on improving awareness around nutrition and agriculture in the developing world to support farmers and secure greater international food resilience and to champion the welfare of those in the developing world in the discussions on food price volatility at the upcoming G20 Summit in Cannes.

The motion was tabled by me and the hon. Member for Lewisham East (Heidi Alexander) and is supported by 30 other Members—it is truly a cross-party motion supported by Members from throughout the United Kingdom. I believe that that reflects the seriousness of the subject matter and the settled desire of the House to have the opportunity to debate it.

One might think that things had improved in the horn of Africa if one only followed the media, but unfortunately they have not. The food crisis has, I am afraid, got much worse. Last week, the UN announced that a sixth region of Somalia has entered the famine. There are now 750,000 people at risk and an estimated $2.5 billion is required to prevent that starvation escalating, but there is currently a $950 million shortfall without even estimating the needs beyond December 2011.

Despite such uncertainties, the UK has led the international response. Despite the many economic difficulties we all have at home, the UK Government have led and I believe that they should be commended for that. They have done what they set out to do and have not tried to balance the books on the backs of the poorest, and they have contributed £188 million. The UK public's generosity through individual gifts reflects their support for the Government in this generosity. By the end of last week, they had given £57 million, which is greater than the amounts given by the Governments of France, Germany, Italy, Russia and Switzerland put together. The UK Government have a responsibility, however, both to the general public, who have given so much, and to the citizens of the horn of Africa, who have so little, to ensure that that money really delivers.

Famines are political. We all know that the immediate response to a famine must be food, aid and shelter, but we should also look hard at what else can be done

[Amber Rudd]

earlier on. It is not the lack of food but the fact that some people cannot get access to the food that causes the famine. The main cause of food security in Africa is war and conflict. Famine is about so much more than food: it is about a famine of education, democracy, health, transport and so many other items. The food famine becomes a symptom of that vast failure. The last famine in Europe was the Irish potato famine, which was a failure of politics as much as a failure of the agriculture that season.

I believe that we in this House should encourage and support the efforts towards conflict prevention through the Foreign Office, the Department for International Development and any Government Department, and we can work with the organisations that are already settled in such societies to try to do that. I am aware that external interventions in fragile states are fraught with risk. We know that they can make things worse, but we must nevertheless be bold and try always to support good governance so that we can try to promote the emergence of civil society.

As the Nobel prize winner Professor Amartya Sen famously noted, there are no famines in democracies that have a free press. We can and should help support organisations that help with building a free society—that is the true version of early prevention of a famine. We also must not lose sight of the help we can give towards building agricultural resilience to famine. Agriculture is the lifeblood of the national economies of the horn of Africa. In 2009, 50% of the gross domestic product of Ethiopia came from agriculture, and the equivalent figure was 22% in Kenya and 60% in Somalia. The majority of the labour force in those countries work in rural areas and 80% are smallholders working less than 2 hectares. When we consider that the Palace of Westminster covers 3 hectares, we can begin to get a feeling of what a small area they have to work in and how precarious their living is. We should try to focus our support on the organisations working with those small farmers and micro-scale producers who can produce a much greater yield than the large monoculture farms. Seven out of 10 of the world's hungry are members of those small rural households.

The UK public, generous as they have been, expect results from UK aid. I welcome once more the huge international effort, of which the UK has been so supportive, to provide immediate famine relief, which is saving lives day by day, but we must also focus on long-term agricultural resilience, helping communities to improve their yield. If we do that—if we can help them build up their own incomes—we also help them towards building up their own civil societies. A community who have a surplus can invest in their own education and in their own health service, so we have the twin benefit of helping with the production of agriculture and helping communities create their own incomes, thereby building, from the bottom up, the civil society that can then provide the stability of a democracy that is less likely to go into famine.

We all know that this is complex. When we talk about famine, people start listing, as I have, its many different elements. We must not let the complexity of the subject put us off. We must continue putting our efforts into prevention. We must try to work with the famine as it is at the moment, but above all we must try to make sure that it does not happen again by supporting people so that their own civil society can emerge.

1.1 pm

Heidi Alexander (Lewisham East) (Lab): I am pleased to open the debate along with the hon. Member for Hastings and Rye (Amber Rudd). I thank the Backbench Business Committee for granting us time to have this very important debate.

The famine in Somalia and the widespread emergency that exists across the region is the result of many failures. The failure of rainfall is often cited on the news, but just as important, if not more so, are the failures of Governments, both regionally and internationally, the failure to address the underlying causes of famine and food insecurity, and the failure to act in time and in a manner that prevents people from not having enough food. In Somalia, of course, there is also the fundamental failure of the state and the absence of peace and stability for the best part of two decades.

The UK has undoubtedly taken a leadership role in responding to the current crisis. The public's generosity should be applauded, as should the Government's contribution to the relief effort and the incredible work of our British charities. However, if we want to consign famine and chronic hunger in Africa to history, we have to ask ourselves some tough questions. Do national and international Governments respond quickly enough to emerging crises, and are we doing enough now to prevent further deaths in the horn of Africa? As the hon. Lady asked, have we done enough to boost small-scale agriculture production and support rural livelihoods in our international development work in Africa? Have we been too complacent about food price volatility, commodity speculation, biofuel land-grabs and food export bans? I hope that there will be answers to some of those questions during the debate.

I was 10 when I first saw TV images of dying children in Ethiopia. A quarter of a century has passed since then, and it saddens and angers me that yet again we see those scenes on our televisions. The crisis did not start when we first saw the reports in the news; the first warning signs came as early as last August. I have questions about the role of African Governments in facing up to and addressing emerging crises and about their capacity to respond. One NGO worker recently told me that in some parts of Africa they cannot mention the F-word and the C-word—famine and cholera—because the Governments simply do not like to hear them. Denying that the problem exists is not the way to stop it happening.

I also ask myself why, despite early-warning mechanisms being in place, the international humanitarian system waited until people were dying before it responded on the scale that was needed. Surely there needs to be more flexibility in the way that centrally held emergency funds can be released. I know that the report of Lord Ashdown's humanitarian emergency response review underlines the importance of anticipation, but anticipation must be followed by action if it is to have any significance. I note the reference in the report published by DFID today to slow-onset crises and how we might better respond to those.

That leads me to the situation now. We know that 750,000 people are at risk of dying in the next few months alone. That is the equivalent of a city the size of Leeds. Thousands of people, predominantly women and children, are turning up at already swollen refugee camps every week. We must find a way to address ongoing needs—health and sanitation as well as food needs. As I understand it, many of the humanitarian grants that have funded the relief operation last for only six months, and some start to expire as early as October. We need a plan.

I could speak for longer about the current situation, but I know that the Secretary of State is here to provide an update and I want to turn to the issue of how we prevent such catastrophes from happening again. Last week, the United Nations Secretary-General called for the crisis in the horn of Africa to be turned into an opportunity. Among other things he called for investment in sustainable livelihoods; he is entirely right. One of the best ways to do that would be for the international community to stop paying lip service to the idea of supporting rural livelihoods in Africa—to the smallholder farmers and pastoralists—and get on and do it. We also need to have hard, grown-up conversations with African Governments about their expenditure priorities.

Some 70% of the population in sub-Saharan Africa are dependent on farming. When I visited Kenya last year I met many families who told me that their livelihood was their land but often their land did not produce enough for them to live on. They are sub-subsistence farmers. The sad thing is that it does not have to be that way. There are many brilliant projects run by charities such as Farm Africa, in which small interventions—better seeds, appropriate fertilisers, crossbreeding of livestock and basic knowledge about planting and irrigation—produce hugely increased yields and improve the resilience of local populations. The challenge is to scale up those initiatives, to extend their reach and to get all African Governments investing properly in agricultural extension services and appropriate research and development.

Alison McGovern (Wirral South) (Lab): My hon. Friend is making a compelling case about what can be done at a micro-agriculture level to support those farmers. Does she agree that the success of that absolutely depends on UK Government leadership in gaining access to markets for those farmers?

Heidi Alexander: I certainly do, and I shall come to some of the wider international issues later in my speech.

If we are serious about addressing these problems, the UK needs to look at how we prioritise our overseas aid expenditure, setting a standard for other donors in respect of investment in agriculture. Between 2007 and 2009, DFID gave on average $32 million per year to agriculture in sub-Saharan Africa—1.8% of our total bilateral aid in the region. When we increase our aid budget in 2013, what will we spend the additional money on? How much will go into supporting smallholder farmers and pastoralist communities? I have seen research that suggests that of the 14 operational or summary plans publicly available from DFID for African countries, six make no reference at all to agriculture or farmers, three make passing reference, two refer to food security in relation to humanitarian spend and only three—Rwanda, Zimbabwe and Mozambique—have any significant focus on agriculture and farming.

Jeremy Corbyn (Islington North) (Lab): I compliment my hon. Friend on her speech. She mentioned land purchases by western farming interests and other wealthy countries—some in the far east, in Asia. Does she not think that there has to be some change in the mechanism so that it is impossible for wealthy countries to buy and take very valuable land which they then keep for themselves and for private food exports to themselves, leaving the people surrounding them in Africa in the very vulnerable and dangerous situation in which they are now?

Heidi Alexander: My hon. Friend makes an incredibly important point. I am not an expert on these issues, but I think that the international system needs to change. It seems completely wrong that huge amounts of land in parts of Africa are growing crops that go into our cars rather than food that goes into the mouths of the people who live in those areas.

Before I move on to some of the wider international issues, I take the opportunity to ask the Secretary of State if he might update us on some of the things that are already under way in the UK in terms of our contribution to food security. In L'Aquila in 2008, we made a number of commitments. When will the Secretary of State publish the data on disbursements for 2010-11? I know that the Department claims to be on track, but there are those who would like to see the evidence of that money being spent. Will he also tell us if and when a decision will be taken about investing the funds of the global agriculture and food security programme?

I want Africa to have the chance to realise its potential—

Roger Williams (Brecon and Radnorshire) (LD): As the hon. Lady mentioned L'Aquila, does she agree that the UK claims to be on track for the disbursements, but other countries, such as Russia, France and the United States, are way behind what they promised?

Madam Deputy Speaker (Dawn Primarolo): Order. May I gently remind the hon. Member for Lewisham East (Heidi Alexander) that the Backbench Business Committee recommended eight minutes for her speech and that of the hon. Member for Hastings and Rye (Amber Rudd). We are now overshooting, so perhaps she will bear that in mind. I know that she has taken interventions, but many hon. Members are waiting to speak so perhaps she could draw to a conclusion.

Heidi Alexander: My apologies, Madam Deputy Speaker. I was trying to accommodate interventions. The hon. Member for Brecon and Radnorshire (Roger Williams) makes a good point.

Let me conclude by moving on to the international issues. Oxfam has recently produced an incredible report, "Growing a Better Future", setting out the serious challenges that exist within the world's economic system that prevent the poorest people in the poorest countries from accessing the food they need. We have already talked about the purchase of land for biofuels and there is also the issue of excessive commodity speculation increasing volatility in food prices, and those issues need to be addressed. I know that it is not completely in the gift of the Secretary of State or the UK, but let us think about how we champion those issues in discussions such as those at the G20 in Cannes.

[Heidi Alexander]

I have covered a number of issues this afternoon, but I conclude by saying that our world is becoming ever more interconnected, and the fears of some of my constituents about immigration will be addressed in the long term only if the developing world becomes a place where the local population want to remain. I can understand why a family living on the outskirts of Nairobi, having fled the countryside because they cannot feed their children, may want a better life. The inequalities that exist between the developed and developing world must be addressed. We have a responsibility to do so and, more importantly, it is countries such as ours that have the power to act. The scale of the crisis in the horn of Africa is a wake-up call. I hope that we rise to the challenge.

1.12 pm

The Secretary of State for International Development (Mr Andrew Mitchell): I congratulate the hon. Member for Lewisham East (Heidi Alexander) and my hon. Friend the Member for Hastings and Rye (Amber Rudd) on two extremely good speeches on the vital subject that the House is debating.

The motion has three specific points. I want to say a few words about all three, but I start by acknowledging that the motion mentions the generosity of the British public through the Disasters Emergency Committee appeal. Throughout the country, people have supported that, and nearly £60 million has been raised. That, together with the efforts of the British Government and other Governments around the world, seeks to address the crisis in the horn of Africa and to stop a disaster becoming a catastrophe.

The House will be aware of what is happening in the horn of Africa. The rains have failed. Enormous numbers of people are moving first from the centre of Somalia down to Mogadishu and then from Somalia out across the borders into Kenya and Ethiopia. The Dollo-Ado camps in Ethiopia now contain 120,000 Somalis, 80,000 of whom have arrived there in the last few weeks. In Mogadishu, which I visited just three weeks ago, camps have sprung up all over that city. The World Food Programme is today feeding some 327,000 refugees there, in particular in therapeutic feeding.

In Dadaab, which I visited earlier in the summer—I know that the right hon. and learned Member for Camberwell and Peckham (Ms Harman) has been there recently, too—huge numbers of people have come across the border into Kenya. I saw a sight that one rarely sees in Africa—large numbers of mothers and their children waiting in the early morning in complete silence. I was able to talk to some of them; they told awful stories about being attacked and beaten as they came with their children out of Somalia. Many had lost children on that march, and their feet were cut to pieces by that long march. I pay tribute to the Kenyan Government who are housing 430,000 people in Dadaab, the largest refugee camp in the world, which was built originally for 90,000.

I also visited Wajir, where I was able to see the brilliant work that has been done by British non-governmental organisations—in particular Save the Children, but many others—in trying to cope with the crisis. I acknowledge and pay tribute to my shadow, the right hon. and learned Lady, for the way in which she, too, has emphasised the importance of placing help for girls and women at the centre of what we are doing—they are in the forefront of the crisis—and for the work that she has done in ensuring that this issue stays at the top of our international agenda.

The people in those camps are in many ways the lucky ones. Inside Somalia we are probably reaching about 1.2 million of the 3 million people who are in serious jeopardy at this time. Those who have followed these things will have seen that the global acute malnutrition and the serious acute malnutrition rates in Somalia are horrific. We have not seen such rates since the 1992 famine. As my hon. Friend the Member for Hastings and Rye made clear, it is not often starvation that kills people who are caught up in famines, for the reasons that she eloquently set out; it is disease. When the rains come, the immune systems of large numbers of people, already shredded by hunger, will not be able to withstand the waterborne diseases that will cut like a knife through that very vulnerable population. Cholera is already endemic in Somalia and Mogadishu, and measles and malaria will also affect huge numbers of very vulnerable people when the rains come.

Malcolm Bruce (Gordon) (LD): Will my right hon. Friend use his considerable leadership in his capacity as Secretary of State, within the international community, to get to the root of this issue? We want to deliver humanitarian relief now, but if we had spent half the money that we will now have to spend in advance, we would have avoided the problem and people would not have been in stress and dying. Spending money in advance rather than waiting for the crisis is surely the way we will have to deal with this in future.

Mr Mitchell: My right hon. Friend makes a good point, which I am coming to directly.

Britain has engaged vigorously over recent months in addressing all these issues, and I pay tribute to the outstanding team that Britain has in Nairobi, across Departments of the British Government, working with our partners and providing real leadership and advice across the international system.

Mr Laurence Robertson (Tewkesbury) (Con): Before my right hon. Friend leaves the emergency situation, which he has described in great detail, I congratulate him on his early and substantial response, but I am concerned about the details of a written answer that he gave me in which he suggests that the regional financial shortfalls in the horn amount to $918 million. In spite of our own considerable contribution, that is a very worrying figure. I know that my right hon. Friend is working hard to encourage the international community to contribute more, but is there anything else that can be done?

Mr Mitchell: I will come to that point directly. Let me set out what we in Britain are doing to help. First, in Somalia, Britain will be vaccinating more than 1.3 million children against measles and 670,000 children against polio, and providing mosquito nets for 160,000 families. During the last week, we think that we have managed to reach an additional 40,000 families inside Somalia, and 10,000 tonnes of food to treat and prevent moderate malnutrition have now arrived in the country. In Kenya, we are providing clean water for more than 300,000 people in Dadaab, and in northern

Kenya more generally, we are helping 100,000 who have received 600 tonnes of UK-funded food aid during the last month.

We have been working in Ethiopia for many years—this relates directly to the point made by my right hon. Friend the Member for Gordon (Malcolm Bruce)—and it is for that reason that since 1992 the prevalence of malnutrition has fallen by about 50%. That shows the difference between working in a country where development can take place and Somalia, where it is very difficult. In Ethiopia we are feeding more than 2.4 million people. We recently provided 50 tonnes of seeds and 60 tonnes of fertiliser, and we are helping to vaccinate 300,000 livestock, which is important in enabling people to continue with their livelihoods when the famine is over. We are working extremely hard to persuade others to support that effort, with some success. Around £400 million has been pledged for Somalia since 1 July, and I will be working on that, along with other Ministers, at next week's meetings of the United Nations and the World Bank. Progress is being made, but insufficient progress.

I come now to the central point made by my right hon. Friend the Member for Gordon, who chairs the International Development Committee, and which is dealt with in the final part of the motion: the importance of trying to ensure that these crises are addressed upstream and that food insecurity is replaced by food security.

Joan Ruddock (Lewisham, Deptford) (Lab): The Secretary of State referred earlier to women as the prime victims of the famine and rightly paid tribute to my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman). As he is coming to this passage in his speech, will he ensure that DFID continues the work that we did on recognising that women make up the majority of food producers in Africa and the need to involve women where they often have few rights and decision-making powers in their communities? Will he ensure that his Department puts women at the heart of all its policies in Africa and continues to do so?

Mr Mitchell: I can vigorously reassure the right hon. Lady that that is the case. One cannot begin to understand development unless one realises the importance of putting children and women right at the centre of everything one does.

Lyn Brown (West Ham) (Lab): The population of Ethiopia has grown fourfold in the past 50 years. The populations of Somalia and Kenya have grown threefold and fivefold respectively. Between one quarter and one third of the married women in that region would like to avoid or delay pregnancy. I understand that there are an estimated 76 million unwanted births a year. Will access to modern contraception be part of the Government's plan?

Mr Mitchell: It absolutely is. I wrote to the hon. Lady about that in June. She is entirely right: it is outrageous that less than 25% of women in sub-Saharan Africa have access to contraception. A prime part of the Government's development policy is to try to ensure that up to 10 million couples who currently do not have access to contraception get it.

I was talking about the importance of food security and of people being able to feed themselves. At the end of last week, I visited an extremely important project, run by Britain and the World Food Programme, that seeks to build food security in Karamoja in northern Uganda. It encapsulates the old proverb, "Give a man a fish and he will eat for a day; teach him to fish and he will be able to feed himself." We are engaged in a project that hitherto has spent £28 per person on securing food aid. Over the next three years we will spend £33 per person. As I saw for myself, that food security is developing well. In 2009 more than 1 million people in Karamoja were receiving food aid and the region was suffering from deep food insecurity, but by the end of this year we believe the figure will be below 140,000.

In looking at that programme we saw all the things that need to happen, as my right hon. Friend the Member for Gordon knows so well. We saw effective irrigation, the harvesting of water through reservoirs, families growing food for themselves and market traders turning up on the sites where that food is being grown and buying the surplus. We saw feeder roads developing and warehouses springing up, which is very important. That is the way ahead to ensure that deep food insecurity is tackled. That is what we have been doing in Ethiopia, and the approach has helped to ensure that Ethiopia, Kenya and Uganda are not now experiencing famine.

Jeremy Corbyn: I compliment the Secretary of State on visiting Somalia and Mogadishu and on the work he has been doing there in particular. The situation in Somalia is clearly very difficult and dangerous. Did his visit give him any hope that there will be greater political stability and physical security for refugees that will enable them to return home once the famine is over and resume their farming businesses and practices?

Mr Mitchell: The hon. Gentleman puts his finger on the key issue: the deep insecurity and ungoverned space in Somalia. I underline our strong admiration and support for the brave people who go in to try to deliver life-saving aid and support there. An announcement was made last week by the Transitional Federal Government of Somalia on political developments and their intention to hold elections of some sort in a year's time. He will also know of the work done in the Kampala accords earlier this year, not least by President Museveni. I do not hide from the hon. Gentleman the very great difficulties in achieving what he underlined needs to be achieved. All this emphasises the importance of the work on resilience. The hon. Member for Lewisham East mentioned the humanitarian and emergency response review that we commissioned, which was carried out so well by Lord Ashdown. The Government have adopted all the points that he made in that report, lock, stock and barrel, and in some cases we will go further.

Zac Goldsmith (Richmond Park) (Con): Does my right hon. Friend agree that it is very often the world's poorest people who are most dependent on the free services provided by ecosystems and that therefore, economic development of any sort that undermines those ecosystems or is un-green will not only not help those people, but actively harm them? Will he continue to put an increasing focus, as I know he is, on tackling the environmental causes of some of the base poverty we see in the world today?

Mr Mitchell: My hon. Friend is entirely right. Had he been with me in Karamoja last week, I think it would have warmed the cockles of his heart to see the work being done by the World Food Programme and Britain specifically to address those concerns.

I must draw my remarks to a close. I wish to end by making four points. There are 400,000 people, mainly children, in danger of dying as a result of the famine in Somalia. Britain has set out clearly what needs to be done. People across all parts of our country, as well as the Government, have given their money and support. We cannot put a price on a life, but we can put a price on saving one. It is time for other countries to recognise that fact and reach deeper into their pockets.

1.27 pm

Ms Harriet Harman (Camberwell and Peckham) (Lab): I would like to thank the hon. Member for Hastings and Rye (Amber Rudd) and my hon. Friend the Member for Lewisham East (Heidi Alexander) for tabling the motion. We strongly support the terms of the motion. The House obviously wanted the opportunity to debate the terrible suffering in the horn of Africa, which is why so many Members have attended the debate to speak.

I very much endorse what has been said by the Secretary of State. As he told the House, he has been to the horn of Africa and to Mogadishu, and I pay tribute to him for that—it was a brave thing to do. I imagine that he was advised absolutely not to go there. He is the first Minister to go there since 1992. I really give him credit for that. I also pay tribute to the tremendous work of the Department for International Development and our high commissions in the region. They are doing important work for people who face such terrible suffering.

When Islamic Relief took me out to see its inspiring work in the area, I saw for myself the effect of the worst drought for 60 years. It is an area where the land is not bare. There is abundant vegetation, but the trees and shrubs are all parched because of the drought. The area should be teeming with cattle, goats, camels, donkeys and giraffes, but instead the shrubs and trees are white and grey and everywhere the skeletons of cattle and goats can be seen. I saw a huge, majestic giraffe lying dead at the side of the road. The women we met in Wajir in the north-east of Kenya told us how one by one their animals had fallen victim to starvation because of the drought. Their herds had dwindled almost to nothing—herds that had provided them with their livelihood, milk, meat and income. They do not have any money left, and they and their children do not have enough to eat, but although the women and children are so thin, they are not starving, because they are getting food, such as that I saw being given out by Islamic Relief with the support of DFID. Let us make no mistake: our aid and the work of our aid agencies is saving lives. I pay tribute not only to Islamic Relief, but as the Secretary of State did, to Save the Children, Oxfam, World Vision and the multinational organisations such as UNICEF and UNHCR, to which we contribute. They are alleviating suffering and saving lives, and every person in this country who contributed to the Disasters Emergency Committee appeal should be really proud of what the money they have given is doing.

Jeremy Corbyn: My right hon. and learned Friend represents in her constituency, like I do in mine, a considerable Somali community. Will she take this opportunity to acknowledge the huge contribution that the diaspora are making either by giving aid through DEC or by sending aid directly home through mosques, community associations and all the others? They are showing a real sense of solidarity.

Ms Harman: I absolutely agree, and that was going to be my very next point. Not only should everybody who gives to the DEC feel proud of what their money contributes to, but so should every one of the many members of the African diaspora, from Uganda, Kenya, Ethiopia and Somalia, who not only work hard in this country and support their families here, but send remittances back to their country of origin. We should be proud of what they do, too; it makes an enormous difference.

Malcolm Bruce: The right hon. and learned Lady is making an important point. Does she agree that the huge contribution that individuals have made to the disaster relief fund, plus the actions of her own Government, give the lie to those who say that the British people do not want their aid budget maintained or their commitment to the UN target achieved?

Ms Harman: Absolutely. Everyone should be proud of the work that our Government, through DFID, are doing, and that is why I support so strongly their promise to maintain our commitment to increase aid to 0.7% of gross national income by 2013. I know that they will do everything they can to step up their efforts to get other countries to do the same. We are doing our bit; so must other countries.

The drought has hit a wide area of the horn of Africa, but its impact on people is dramatically different in different areas. For example, in Ethiopia—and I underline the points that the Secretary of State made—for a number of years our aid and the work of our aid agencies with the Government of Ethiopia has put in place measures to protect against the impact of drought. They have prepared systems of what they call cash transfers—systems to give money to people whose crops have failed and cannot feed themselves; they have stockpiled food ready for such people; and they have built roads so that remote areas can be reached even when there is drought. Although those people are suffering hardship, they are not starving. They are able to stay on their land and in their villages, and they are not forced to abandon them and flee, but work will have to go on, and, as the Secretary of State said, the danger is not over when the rains come, because they can bring with them cholera and malaria.

Ethiopia shows that aid works, but it is a tragically different story for Somalia, which shows that, because of conflict, when people do not have access to aid and there is no preparation for drought, people are left totally at the mercy of drought. The best that they can hope for is to flee their lands and become refugees; the worst is to see their children die of starvation. With preparation and with humanitarian aid, people can cope with drought, but they cannot cope with drought and conflict, and that has caused hundreds of thousands of people to flee Somalia for the Dadaab camp in north-east Kenya. The numbers are absolutely overwhelming. A camp that was built for no more than 90,000 people now has more than 430,000 and is growing by 30,000 a month. Every single day, there are more and

more people: between 1,000 and 1,300 arrive every day, and each day those who come are more dehydrated, more undernourished, more exhausted and more traumatised.

Some people, in order to avoid the effect of the searing heat on their children as they walk from the Somali border, travel at night through a no-man's land, but that makes them even more vulnerable to attack. Aid agencies are organising buses from the Somali border, but although they are putting on more and more buses, they cannot keep pace with the flood of refugees. The accommodation in the camp cannot keep pace, either. When people arrive, they have to stay under makeshift cover outside the site. They wait in makeshift shelters until they are registered, and then they join the other—soon to be half a million—people in this camp in the middle of nowhere.

It is hard to describe how bleak the camp is. When we came into land on the small landing strip, we flew over terrain that looks like the surface of the moon. It is so barren, there is just nothing, and then suddenly we saw hundreds of thousands of tents in the middle of nowhere. It is just desperate. For all the work of the camp staff and of the aid agencies, it is not a safe place, either. Of the group of women whom I met in the camp, which is 80% women and children, all said that they wanted to go back to their homes in Somalia—that, if only there was peace, they would go back to their land there. They said that they had fled not the drought, but the conflict.

The camp director said that he wanted me to take back to this country just one message: "Whatever you do, please do what you can to sort out the situation in Somalia." Of course there have to be high-level meetings at the UN and the EU to ensure that the wider international community plays its part, but the deep and long-standing conflict in Somalia will not be solved just by summits in Brussels and New York. We need to support the work of organisations such as the Organisation of Islamic Cooperation, the Governments of Muslim states, who can help, and the African Union. We need to draw not only on the diaspora in Canada, America and continental Europe, but on the Somali diaspora in this country—on their advice, support and wisdom.

Kerry McCarthy (Bristol East) (Lab): In Bristol, there is a very large Somali community, many of whom are my constituents, and their work to send remittances and to support development in Somalia and, indeed, in Somaliland is fantastic, but it is done individually. Does my right hon. and learned Friend think that we could do more to encourage them to come together so that big projects might be funded along with commercial operations, particularly in Somaliland, where ports could be opened up and infrastructure built? Can we do more on that front?

Ms Harman: Yes, I absolutely agree. We need to do a great deal more to recognise remittances. People sometimes think that such activity is undertaken only by Government Departments or by people giving to organisations such as Oxfam, but many individuals give their own money. The cost of sending money is also quite high, and we could do more, such as by creating diaspora bonds to enable people to invest. There are many ways in which we can support remittances, and we should do so.

We have no embassy in Somalia, but aid agencies such as Islamic Relief are working on the ground there, and the Government should draw on their expertise in order not to get them involved in politics, but to use their connections with the civil society, which must be built up.

In the immediate term, our Government must continue to give aid to Somalia. They have rightly prioritised aid for conflict-affected states, and Somalia is certainly conflict-affected. They have rightly emphasised, as we did, value for money, auditing and monitoring, but in reality, on aid spent in Somalia, that level of scrutiny will not be possible. We must still give the aid, however, otherwise the Somali people will suffer terribly as they flee and then just become aid-dependent miles from their home, in a camp where there is no future for them. We must continue, and the Opposition will support the Government in continuing, to give aid to Somalia.

The Government must also redouble their efforts to work internationally to tackle climate change and to protect people who are affected by it. Our aid is making a huge difference, but we will prevent suffering in future if, as Oxfam has so clearly demonstrated, we bring about a major change in the way food is produced and distributed. The world produces more food than it needs, yet here in the 21st century 1 billion people go hungry. What is needed is support for greater long-term investment in agriculture, an end to exploitation by international land speculators and action to stop speculation on food commodities which causes prices to soar and means that hungry people cannot afford them.

Our Government will be at the G20 summit in November. I hope that the Secretary of State will ensure that the issues that have been raised by hon. Members in all parts of the House will be high on the agenda, with all the G20 countries not only keeping their promises on aid—Britain has, but others have not—but tackling the inequality and exploitation that sees global wealth accumulate while the poor starve.

Several hon. Members *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. May I remind Back Benchers that there is now a six-minute time limit?

1.40 pm

Tony Baldry (Banbury) (Con): I spent time with Oxfam in Ethiopia during the famine of 1984. It is difficult to describe the horror of famine—its scale, one's helplessness, the Martian-headed skeletons of marasmus, the swollen bellies of kwashiorkor, and the glassy eyes of children one knows, notwithstanding all efforts, will be dead by tomorrow. Then and now, these famines of biblical proportions kill fellow human beings slowly, painfully, and desperately. It is the death of their humanity and a collective test of ours.

I want to make three points in the short time available to me. First, we need to do more to enhance and improve food and crop production in the horn of Africa and elsewhere in Africa. It is not sustainable to seek to keep alive millions of people in the horn of Africa in the hope of yearly grain surpluses from Nebraska, Australia or elsewhere. The UN estimates that $2.4 billion is required to meet immediate humanitarian needs until this December. As my hon. Friend the Member for Tewkesbury (Mr Robertson) observed, there is a funding

[Tony Baldry]

gap of $1 billion, and no funding for ongoing needs and recovery. This is simply not sustainable. We need to enhance agricultural production in Africa and the horn of Africa.

Secondly, we have to face up to the reality of population growth as a development issue. If a country's economy is growing each year by 3% and its population is growing each year by 7%, then each year its sustainability is going steadily backwards. For example, the population of Ethiopia is now twice what it was at the time of the 1984 famine. Here is the wake-up call: in Ethiopia, even in a good harvest year, aid agencies are still feeding the same number of people as the number who received food aid in 1984. It is difficult to cultivate large parts of Ethiopia because of endemic malaria. Elsewhere, land is exhausted by over-use. Up in the Simien mountains, I have seen farmers with oxen and ploughs seeking to cultivate ever more marginal rocky outcrops, desperate for any extra land. The situation is unsustainable. Along with Lynda Chalker, I represented the UK Government at the UN population conference in Cairo in 1994. That conference, held over 15 years ago, was the last attempt by the international community to address the issue of population growth, and it needs addressing again.

Thirdly, the deliverers of the apocalypse ride together: hunger, illness, death and conflict. As the right hon. and learned Member for Camberwell and Peckham (Ms Harman) made clear in her very welcome contribution, Somalia is a failed state—a basket case. It is a liability to itself and to its neighbours, viz the recent murder and kidnapping in Kenya: a personal tragedy and a broader tragedy for the Kenyans' tourism industry and economy. Al-Shabaab has brought chaos to Mogadishu and terror to the rest of the region. The African Union deserves our support in seeking to bring stability to Somalia, but that process needs focus, concentration and consistency. For far too long, so-called Somali warlords have been ripping off the west in phoney peace talks in the luxury of Nairobi resort hotels, running their businesses from the comfort of Kenya while pretending to try to find peaceful solutions for Somalia.

Nor should we forget that the one part of Somalia that is stable, peaceful and potentially productive is what was once the British Somaliland Protectorate and is now Somaliland. For 20 years, Somaliland has had repeated democratic elections, a functioning presidency, a functioning Parliament and defined borders, and it has been wishing for and wanting de jure recognition by the international community. At the first consultative meeting on ending the transition, which was held recently in Mogadishu, I observed that it had delegates from all sorts of places, including the EU and the UN, but, as far as I am aware, no invitation had been sent to Somaliland for observer status or to take part in those discussions. Of course we need stability in Somalia, but the international community also needs to resolve the legal status of Somaliland. Unless we resolve the conflict in Somalia, we will never have peace in the horn of Africa, and until we have peace in the horn of Africa, we will continue to have famine.

1.45 pm

Mr Andrew Smith (Oxford East) (Lab): It is a pleasure to follow the hon. Member for Banbury (Tony Baldry), my colleague from Oxfordshire. I agree with everything that speakers on both sides of the House have said so far. It is very heartening, faced with such an appalling situation, that there is this extent of agreement between us. I join what has been said in commending the response of the British public, the Department for International Development, the non-governmental organisations and the diaspora communities. That is good to see, but we are all aware that there is so much more to do.

First, I stress the importance of global action to counter the role of financial speculation in driving up food prices and increasing their volatility, as shown in research by the World Bank and UN bodies. It would be helpful if the Government could confirm UK support for effective EU regulation in this respect, as well as action at the G20.

Secondly, I draw the House's attention to a good point that has been made to me in a helpful briefing from CABI—the Centre for Agriculture and Biosciences International—which is based in Oxfordshire: that losing less food is as important a contributor to food security as growing more. Currently, farmers lose an average of 40% of their crops to pests and diseases, and most of that is unnecessary. Using existing knowledge and providing timely, practical and specific advice through local clinics to farmers on the management of plant pests and diseases can have a significant impact on food security right now, with no need for additional water, land or other resources. Obviously, people need extra water in places where there is not any, but the point is well made. To this end, I commend the Plantwise initiative, which is supported by DFID and by the Swiss aid agencies.

Joan Ruddock: Does my right hon. Friend agree that, tragically, these countries will suffer worse conditions, certainly with less water, if climate change continues unabated, and that in the interests of preventing famine in Africa, the international community needs to redouble its efforts to tackle climate change?

Mr Smith: I wholeheartedly agree with my right hon. Friend—that is imperative. When we see these awful experiences of people, we are reminded of the real human consequences of climate change and the necessity of action.

Thirdly, I want to refer to the situation in Sudan. The role of conflict and political strife in creating and exacerbating chronic food insecurity is well known, and it is important to push for greater humanitarian access into regions of Sudan, including Darfur, Nuba Mountains and Blue Nile. However, we have seen in the past how the Government of Sudan have used negotiations over access to further their own narrow political interests—for example, tactically negotiating for restrictions on its opponents during the wet season, when their own army is at a disadvantage and guerrilla groups have the advantage, and then nullifying agreements for humanitarian access during the dry season, when traditional forces have the advantage. I urge the UK Government to take that into account when engaging in the vital discussions that are necessary on improving humanitarian access.

I should also like to highlight the importance of engaging with diaspora organisations that are organising relief—for example, the Nuba Mountains Welfare Association. We can all see how, in politically sensitive situations, these organisations may get more access to displaced people through informal networks than established NGOs, which may be understandably cautious

about getting involved or directly blocked by restrictions imposed, in this case, by the Government of Sudan, or in other areas by local warlords. Improving DFID's relationship with diaspora groups and pursuing innovative partnerships can bring real benefits for civilians in conflict areas who cannot be reached through traditional means.

In the specific case of Abyei, where displacement following the invasion and occupation of the region by the Sudanese armed forces disrupted the traditional planting season, it is imperative that the UK Government prioritise the pursuit of a solution on its political status and do not just focus on implementation of the temporary interim agreement.

Mr Andrew Mitchell: On the humanitarian efforts, we have given substantial funds and indeed pre-positioned resources to the common humanitarian fund. On Abyei and the border, which the right hon. Gentleman is right to prioritise, we continue to give strong support to the process led by President Mbeki to get all parties together.

Mr Smith: I welcome what the Secretary of State says. I am sure that he will take into account the repeated and as yet negated promises for a referendum for the permanent residents of Abyei. Continued political insecurity, even after the displaced people have returned, may lead to a near-permanent reliance on food aid in a region that is actually fertile and where communities could otherwise return to self-reliance in the medium term.

My final point relates specifically to South Sudan, but has broader application elsewhere. It relates to points that others have already made. It is vital that resources are focused on programmes that support individual farmers and that, in particular, support is targeted towards women, given the traditional breakdown in responsibilities, whereby women are often the agents in cultivation among the Dinka and other significant tribes in the region. That will help to ensure that aid improves cultivation, rather than simply increasing cattle herd sizes or inflating bride wealth prices. Support for the formation of co-operatives, offering advice on issues such as the management of plant pests and diseases, and helping with marketing and so on would be especially useful.

To conclude, although the volume and reach of aid is clearly crucial in the short term—I echo what has been said about the importance of keeping up our efforts and of other countries starting to match them—it is critical that there are well-directed measures on conflict resolution, security, farming methods, pest control, infrastructure and price stability, because it is those things that will enable the parts of Africa that are suffering to become more self-sufficient in the long run. It is vital that international effort is directed towards that end.

1.52 pm

Caroline Nokes (Romsey and Southampton North) (Con): I congratulate my hon. Friend the Member for Hastings and Rye (Amber Rudd) and the hon. Member for Lewisham East (Heidi Alexander) on securing this important debate. Further, I congratulate all the British people and residents in my constituency who have contributed so significantly to the DEC appeal.

Today's debate is critical and my contribution will focus narrowly on an issue that has been alluded to by my hon. Friend the Member for Richmond Park (Zac Goldsmith). We must ensure not only that we have sustainable high-yield agricultural practices, but that they tread lightly on ecosystems and the environment in parts of the world that are very vulnerable. Way back in 2003, the Governments of the African Union committed in the Maputo declaration to the need to provide not just high-yield agriculture, but sustainable high-yield agriculture.

The environment will, of course, be vital in any discussion of sustainable food production. Over the past 30 years, we have become increasingly aware of our own environmental impact. I would argue that we have not focused enough attention on the equally important issue of food production, which can have a serious environmental footprint. The Environmental Audit Committee, of which I am a member along with several hon. Members who are present, is currently looking at sustainable food production, focusing largely on this country. We were lucky enough to visit a farm in my constituency that has high standards of sustainable food production. However, it is not good enough just to know the answers here; we must spread the message around the globe.

If we want to prevent global poverty and famine from becoming an even bigger problem for the developed and developing world, we must invest in the communities that need the most help. There is a clear humanitarian interest in ensuring that development aid is used to create sustainable agricultural practices that move people towards food security and nutritional self-sufficiency.

One way in which that can happen is through the technique of conservation agriculture, which the United Nations defines as being based on the three principles of minimal soil disturbance, permanent soil cover and crop rotation. Leading members of the Tropical Agriculture Association, such as Professor Amir Kassam, propose that this type of farming is the only viable option to ensure the long-term sustainability of food production in the horn of Africa. Conservation agriculture recognises the need for soil to contain nutrients and biological matter to support plant growth. That is achieved by covering the field in mulch obtained from waste crops, which protects the moisture in the soil, thus ensuring its viability over the long term.

That practice has proved successful and there is a significant increase in peer farming. I assure right hon. and hon. Members that peer farming is not something that happens in the other place; it is where farmers spread the message to their neighbours and colleagues and learn from one another to increase their yield and sustainability. This could be the key farming technique in tackling hunger across the whole of the developing world, as there are currently 450 million smallholders worldwide trying to meet the needs of 2 billion people.

The UK does not feel the impact of climate change as severely as the horn of Africa. British farmers can plough their fields, partly because they are much bigger, but also because rain is not in short supply, as we have learned this summer. Where drought is a real danger, it is crucial to maintain soil so that it can yield a crop in good seasons and in bad.

The net results of these methods can be very impressive, with less impact on the environment, increased food yields for the domestic population and improved livelihoods

[Caroline Nokes]

for the farmers. That is the basis of the Maputo declaration, which calls for 10% of the development aid budget to be allocated to improving agricultural techniques. In countries such as Kenya, Somalia and Ethiopia, where 80% of smallholders farm less than 2 hectares, food production is labour intensive and inefficient, and as a result the yields are low. These countries suffer extremely from poor food security and we have to focus on priming the pump of sustainable food production to ensure that it is not the exception, but the rule. As a result, dependence on aid will lessen, building dignity, self-sufficiency and economic growth.

There are very good examples in Africa of conservation agriculture making impressive strides in improving the output of products, creating genuine movement towards self-sufficiency and increasing nutrition for the population, in a way that has a low impact on the environment. For example, in northern Tanzania, against the backdrop of poor quality soil and soil erosion, the adoption of these techniques has led to a dramatic increase in yields from just over 2 tonnes per hectare in 2004 to 14 tonnes per hectare in 2009. Currently, 7,000 acres in this area are farmed according to the principles of conservation agriculture, and that is set to triple by 2015.

There is reason for optimism that through the responsible application of these principles, the parts of the world that most need to move towards self-sufficiency will be able to do so. I would argue that the horn of Africa needs to have its own 21st-century agrarian revolution. Therefore, I hope that right hon. and hon. Members will agree that Government spending on aid, although it seems to be a huge controversy for some of my constituents who write to me suggesting that we should reduce it, is something that we must do. If it is deployed in the right way, promoting sustainability and self-sufficiency, it can be the building block of poverty reduction and famine relief.

1.58 pm

Dr Eilidh Whiteford (Banff and Buchan) (SNP): I congratulate the hon. Members for Hastings and Rye (Amber Rudd) and for Lewisham East (Heidi Alexander) on securing the debate, and add my tribute to those who have given so generously to the appeal. Over the past few months, dramatic events at home and in other parts of the world have diverted attention away from the huge and ongoing humanitarian catastrophe in east Africa. We have an important opportunity today to highlight what is going on in Somalia, Ethiopia and Kenya.

The fact that people have been so generous to the DEC appeal and to the appeals of other agencies shows that there is public concern about this issue. It is sad that the response of citizens stands in such sharp contrast to the response from parts of the international community. Oxfam estimates that there is a shortfall of $1 billion in the funding needed to meet the immediate humanitarian needs in this year alone. I am glad that the UK Government have done their bit and I wish the Secretary of State every success in his efforts to persuade people in other donor countries that they need to do likewise.

Perhaps the most galling aspect of the crisis is the fact that the famine was preventable. As other speakers have said this afternoon, early warning systems were in place that worked and were effective, but we collectively ignored those warning signals. It is always easy to be wise after the event, but there is no reason why a potentially manageable crisis in east Africa was allowed to become a catastrophe on such a monumental scale. Although the short-term focus has to be on humanitarian relief—keeping people alive through health interventions and the provision of food, sanitation and water—we also need to look at the underlying causes of the crisis and ensure that the UK's longer-term development work invests heavily in preventive initiatives that reduce vulnerability to famine in east Africa and other parts of the world.

Other hon. Members have mentioned the very complex political situation in east Africa, which has led to long-standing problems of conflict, political instability and weak governance. I will use the short time available to me this afternoon to focus on two other aspects of the crisis, the first of which is the impact of climate change.

A key factor in the crisis is the changing weather patterns in the region, which has always been prone to drought. In recent years, the frequency of drought has been increasing and there have been long and repeated periods of unpredictable weather. Over the past few years, those changes have been wearing down people's resilience and changing the way they live, as they find that traditional farming methods no longer work. As has been mentioned, life for the pastoralists has become extraordinarily difficult. Without enough water, their livestock die and they lose not only their economic livelihood but their only assets. I know that some aid agencies, including the Scottish Catholic International Aid Fund, have been buying up livestock before they die from pastoralists in northern Kenya and other parts of east Africa, so that they can give people money to keep themselves alive through the crisis. In the longer term, however, at the global level, we need to invest in the climate fund set up at Cancun and persuade other donors to honour their commitments and put money into the mechanisms that have been established to pre-empt and prevent such crises.

The second aspect I want to discuss has already been raised by others in the context of food security and economic development. Despite the importance that we all attach to agriculture, it has been very unfashionable in development terms for a number of years and now represents a very small part of development aid budgets. An awful lot more emphasis is needed on supporting smallholders and investing in technical support for them. Since the L'Aquila summit in 2009, there have been commitments to boost agriculture spending, which has put those issues back on the agenda, but we are still looking for clarity on what that is achieving. I make a plea to the Government not to consign those commitments to the collective recycling bin, but to hold donor countries accountable for the commitments they have made.

Let me briefly draw particular attention to the role of women in agriculture. Although they form the majority of smallholder agricultural workers in Africa, they rarely own their land and they have very poor market access; in addition, they rarely have access to the kind of credit facilities that farmers in all parts of the world need to sustain themselves. Given the imbalance of power, we must not reinforce those inequalities. I think we all recognise the importance of putting women and girls at the heart of efforts in health and education, but when we talk about business and climate change, we become a

lot more gender blind and start talking in more general terms. We have to understand that if we reinforce existing inequalities, we will entrench poverty even deeper in those communities.

My time is running out, so I shall conclude. We are responding to an immediate crisis, as we have to, but let us learn the lessons and try to look ahead, on a multilateral and international level, at how we can reduce the vulnerability of people economically to these shocks and put them in a better position to withstand the crises they face as a result of climate disasters and erratic weather.

2.4 pm

Roger Williams (Brecon and Radnorshire) (LD): I, too, commend the hon. Members who secured the debate, which gives us an opportunity to express our appreciation to the British public, as well as to DFID and the non-governmental organisations who have played such a vital part in tackling the crisis. Our efforts have been seen throughout the world as effective, generous and brave, but continuous intervention in terms of food supplies is also needed. That will prove particularly difficult in areas that suffer from political and military instability and for those people who have been displaced and are in refugee camps.

I want to touch on two issues that will be key to reducing food insecurity around the world: science and land tenure. I believe we all need to embrace science in agriculture. I was speaking to Derek Stewart at the James Hutton Institute which, with many similar organisations, does fantastic work in the science of improving the yield and nutritional value of crops. For example, golden rice has a significantly higher level of vitamin A and is a clever, effective and relatively cheap way of getting more nutrients to those who desperately need them. We need to give such institutions financial backing so that they can develop more such crops.

The "Foresight: The Future of Food and Farming" report that was produced for the Government by Sir John Beddington and chaired by the Secretary of State, I believe, states that investment in new science and technology is critical to: producing more food, increasing the efficiency of food production and sustainability,

"securing ecosystem services...keeping pace with evolving threats such as the emergence of new and more virulent pests and diseases...addressing new challenges, such as the development of new varieties of crops that are resistant to increased drought, flooding and salinity"

and

"meeting the particular needs of the world's poorest communities."

Britain used to be at the heart of agricultural research and our scientists are still highly regarded, as I found when I visited Embrapa, the Brazilian Agricultural Research Organisation, during the inquiry of the Select Committee on Environment, Food and Rural Affairs into food production to 2050. Sadly, as is often the case, success has meant that Government investment has reduced; in addition, anti-science attacks on genetic modification technology have meant that many commercial plant breeding businesses have moved out of Britain.

In the past, food productivity has increased faster than the world population through investment in science, but Sir John Beddington foresees a perfect storm of a rapidly increasing world population and threats to world food production through climate change. The need for more scientific research is well made and should be responded to. We need to increase investment in methods of growing crops, both traditional and GM, which can achieve yields in drier conditions and are more resistant to disease. The role of the agronomist has been sadly reduced, with fewer being trained or employed by Governments, NGOs or commercial organisations. Britain used to export its agricultural expertise; it could still do so.

I was particularly shocked by one statistic in the foresight report:

"half of the world's undernourished people, three-quarters of Africa's malnourished children, and the majority of people living in absolute poverty can be found on small farms".

It is a huge contradiction that the very poorest and the worst nourished people live on the farms that produce food. We can give those people the tools and knowledge they need to feed themselves. There is an excellent example of that in my constituency. Hay-on-Wye, well known for its literary festival, has twinned with Timbuktu in Mali, well known for its library of Islamic literature and books. They have been working to help Mali's people through fair trade for their crafts and measures to improve health and education. On a smaller scale, a project called Jump4Timbuktu, based in Hay-on-Wye and exported to Mali, has responded to the challenges of climate change and has had great success with drip irrigation, which is incredibly simple, requiring only water, a bucket and gravity, and which shows how to use scarce resources to maximise food production in sub-Saharan areas suffering from both drought and desertification.

Some say that food security can be achieved by improving the productivity of all smallholdings and small farms. Although I have no doubt that improvements can be made, smallholdings are probably as much a cause of the problem as a solution, and in any case there is constant movement of people from the countryside to urban areas. That has gone on ever since cities came into existence, but this year was the first in which there were more people living in urban areas than in rural settlements. Small farms entail physical hard work for little reward; larger farms allow economies of scale and better results. The challenge is to enable people to make the move from these smallholdings from a position of strength, with the skills and resources necessary to make a success of urban living, rather than as economic migrants. There is nothing noble or virtuous about living in poverty and being undernourished in smallholdings.

2.10 pm

Ian Murray (Edinburgh South) (Lab): I congratulate the hon. Member for Hastings and Rye (Amber Rudd) and my hon. Friend the Member for Lewisham East (Heidi Alexander) on securing this debate on such an important topic.

There is no doubt that even in difficult financial times, when the disposable incomes of people in this country are squeezed, the British public are instinctively generous in their support for those in other parts of the world who are less fortunate. The work of the Disasters Emergency Committee in highlighting the famine and relief efforts in the horn of Africa has been vital in saving the lives of many hundreds of thousands of the poorest people in that region. Many of my constituents who have contacted me strongly support the work of the aid agencies and the resources that the UK Government

[Ian Murray]

are putting into the horn of Africa, and people in the region are very grateful for those resources. There is concern, however, that those in the most severe need and the areas most beset by conflict are the least likely to get access to the aid that they so desperately require.

As we have heard, according to the UN, as many as 13 million people across the horn of Africa region need food aid; as many as 750,000 people could die in Somalia alone over the next four months; and, worst of all, half of all deaths have been and will be of children. UN representatives on the ground have described the situation in parts of the region as worse than anything previously recorded. The question has to be asked, therefore: why do we get to such a stage of famine? Famine injects urgency, but it is often too late. That is not a new phenomenon. Since 1980, 42 droughts have occurred in the horn of Africa, almost half in the last decade alone, affecting more than 100 million people.

The situation is progressively worsening, nowhere more so than in Somalia. Not only do people need greater access to food, but there is acute need for safe water, sanitation and disease control. Famine in Somalia is coupled with massive displacement of people both within the country and to neighbouring countries. The large influx of refugees has overwhelmed local host communities, led to conflict over ever more scarce resources, exacerbated the problems massively and had a negative effect on already fragile ecosystems.

There is an urgent need to support countries that are susceptible to drought and to help to mitigate the impact on fragile environments. The summit on the horn of Africa held last week in Nairobi stated that

"we reaffirm that freedom from hunger is one of the fundamental rights of citizens of any nation. Every effort should therefore be made—by governments, citizens and the international community alike—to bring the current emergency to an end".

More importantly, it went on:

"Every effort should also be made to ensure that in future, drought will not cause undue human suffering, including in particular famine".

High food prices and price volatility are major contributors to the difficulties, and I want to highlight the impact that food commodity speculation is having on high food prices. That was also mentioned by my right hon. Friend the Member for Oxford East (Mr Smith). Banks and hedge funds are betting on food prices in the financial markets, causing drastic price swings in staple foods such as wheat, maize and soy. Massive food price hikes are catastrophic for the world's poor because they are more likely to spend more than 40% of their income on food, as opposed to about 10% to 15% in countries such as the UK. Food becomes unaffordable, which leads to increased hunger and malnutrition as less dairy, meat, fruit and vegetables are consumed, so that people can buy staple food; to an increased burden on women, particularly as they are often forced to earn more money by taking up exploitative employment; to households using up savings, getting into debt or selling assets, including critical assets such as livestock and equipment, to pay for food; and to families being unable to afford health care and education, as more of their income is needed to buy basic food.

Historically, futures contracts were set up in US financial markets to help farmers to deal with price uncertainty in growing crops, but those contracts are now being bought and sold by bankers who have little or no involvement in the actual food being traded but who bet on food prices to make money. The World Bank lead economist, Wolfgang Fengler, highlighted that the price of corn reached a staggering 70% above the world average in east Africa as a result of a small number of farmers having control over the market and so keeping prices artificially high. It is extraordinary that it was cheaper to buy corn in the US and Germany than it was in places such as Somalia. Since January alone, the price of corn has increased by up to 200%.

While some are reaping huge profits from betting on food, poor families and people across the world are paying the price of hunger and malnutrition, but the problem could be easily solved by the UK Government backing proposals to regulate betting on food prices in financial markets. The Obama Administration in the US and, as we have heard already, the European Commission are calling for regulation to curb betting on food prices in financial markets. The UK has to play its part in backing the European proposals and not block important progress towards regulation.

Alison McGovern: Would my hon. Friend, like me, like to hear at the end of this debate a firm commitment to that?

Ian Murray: I am grateful to my hon. Friend for asking that question. It is important that food commodity speculation across the world is dealt with because it is exacerbating many problems. If Ministers gave a commitment at least to consider regulation, as the US and European Commission are doing, it would be incredibly helpful to efforts to deal both with the immediate problems of famine and drought in the horn of Africa, and with the long-term issues, as many of the organisations and the horn of Africa summit have suggested we need to do in order to prevent such crises from arising again.

The World Development Movement has led the charge; now the UK Government have to support two simple proposals that would be hugely helpful—again, it would be useful to hear whether the Government support them. First, all futures contracts should be cleared through regulated exchanges. Most contracts are currently made in private, which means that it is impossible to know how much and what is being traded; monitoring is impossible. Secondly, strict limits should be set on the amount that bankers can bet on food prices.

Combining risky financial gambling with a basic human need is a recipe for global hunger. Excessive speculation on food prices needs to be curbed and the UK Government should back the European proposals for regulation. Drought and famine are avoidable. Just two years ago, the G8 acknowledged that increased investment in agriculture was vital and committed $22 billion over three years to assist affected areas. We have to act now and the G20 summit in Cannes must reaffirm that commitment.

2.17 pm

Laura Sandys (South Thanet) (Con): I congratulate the hon. Member for Lewisham East (Heidi Alexander) and my hon. Friend the Member for Hastings and Rye (Amber Rudd), as well as the previous speaker, the hon. Member for Edinburgh South (Ian Murray).

Many people have already elaborated much better than I could on the issues facing Africa specifically. I do not apologise, therefore, for using this debate to examine wider global issues of food security and how the global food security system impacts on the UK domestic market. The situation in east Africa is a tragic human disaster, but it is also an illustration of a global system that is at breaking point. The impact is being felt locally, domestically in the UK and globally. Unlike so many other international development issues, food insecurity and food inflation are not exclusively about overseas or foreign parts or the developing world; they are about us here and those who sent us here. In food, more than in any other sector, we are as one—with the soy growers in Brazil as much as with the families in Somalia facing the challenges of crop failure. There is no more globally traded product group than food, so the crisis in east Africa is our crisis.

Anyone who does not believe that we need to address the long-term underlying problems of food production, famine resilience and demand and supply in the developing world in support of our domestic constituents is not living in the real world. I shall outline some of the domestic realities that we face and illustrate how crop failure, food shortages and famine anywhere in the world impact on our supermarket shoppers.

This country imports 50% of its food, which might be too much. Food inflation domestically has been running at about 6%. The price of staples such as grain and sugar in particular have been rising significantly, and the situation has not been helped by the rush for biofuels. There is no drop in food prices on the horizon; they are still going up.

We are facing the global reality of food consumption per head of population in developing countries rising even faster than population growth. Global population growth and increased consumption are putting increased pressure on marginal land, and global populations are moving from the countryside to the towns, depleting the food production labour force. Inflation is rampant. In Zambia, Botswana, Swaziland and Malawi, producers are selling locally for a better price than they get for their exports. That is causing price rises across the world.

Protectionism is probably the most dangerous development for domestic consumers here in the UK and for the global food market, and it is becoming much more prevalent. Tanzania recently imposed an export ban, and other countries could follow suit. Climatic shocks, such as the one that caused the crop failure in Somalia, are increasingly becoming the norm. All this is creating a new paradigm for our domestic consumers. Food is becoming much more expensive, and the trade in food is declining due to greater domestic demand in the producer countries. The availability of commodities at low prices is becoming rare, and the markets on which we have depended for years to deliver cheap food to our supermarket shelves are being seriously challenged.

Before anyone accuses me of being too UK-centric, let me point out the anomalies surrounding food production globally. Many experts state clearly that enough food is produced to feed the global population. There is not a food scarcity; the fundamental flaws in the food supply chain need to be addressed. The Department for International Development could play an important part in that.

An alarming quantity of food in the developing world is ruined before it can get to market. Storage is not available and productivity has not increased significantly in decades. Crops are ruined by disease, and by mismanagement due to a lack of agricultural education. Distribution is often ineffective in getting products to market, especially in the developing world. A lot of work needs to be done to get food from the farm to the fridge, but we are losing a lot on the way, often unnecessarily. Every time an African farmer does not get his food to market, or has a crop failure, a price rise in our domestic market becomes more likely. Every time we fail to support agricultural development and food education in Africa, we make our constituents more vulnerable to food inflation.

Globally, we need to address some important initiatives. The G20 initiative must be taken seriously, and I hope that the report from the Food and Agriculture Organisation and the International Food Policy Research Institute will be taken seriously. The World Trade Organisation must be a priority for the Foreign Office, and food trade must be the most important issue.

2.23 pm

Alison McGovern (Wirral South) (Lab): I pay tribute to the hon. Member for Hastings and Rye (Amber Rudd) and my hon. Friend the Member for Lewisham East (Heidi Alexander) for securing the debate, and to the hon. Member for South Thanet (Laura Sandys) for her excellent speech. My reasons for speaking in the debate are twofold. First, I want to raise awareness of this issue and thank those who have given, and to appeal for continued backing for that support. Secondly, I want to discuss some of the causes of the problem and some of the strategic issues involved.

Other hon. Members have mentioned the British support for famine relief. There are some in the House and elsewhere who argue that charity begins at home. Looking into the eyes of a starving child gives the lie to that argument, however. In this debate, we have acknowledged our moral responsibility to uphold the dignity of the people affected by the famine. Let the message from the debate be that Britain will continue to offer support to those who need it, wherever in the world they live. I thank from the bottom of my heart all those in my constituency and around the country who have given through the Disasters Emergency Committee, and we call on Governments around the world to do likewise and to stand up for the needs of the most vulnerable people in the world. The famine might no longer be on our TV screens, but that does not mean that it is not happening and that people no longer need our support. We have a moral duty to show our support for the people who are affected.

Other Members have given a good account of some of the causes of the problem, especially those relating to agriculture. There are interesting questions about the role of agriculture in development, and about whether the Department for International Development might do more work in that area.

I want to talk specifically about food speculation, although many other factors are involved. It has already been pointed out that famine is neither an accident nor a natural disaster; it is the result of human failure. The hon. Member for Hastings and Rye mentioned the

[Alison McGovern]

comments of the Nobel laureate, Amartya Sen, about the causes of famine and their link to democracy. That point was well made, and needs to be listened to. People in the poorest countries do not have a voice, and that is part of the problem.

I want to ask the Minister some specific questions about food speculation, although I understand that he might not be able to respond to them as he will not be summing up the debate. If he wishes to intervene on me, or if he can answer them in any other way, that would be welcome. The evidence on food speculation is inconclusive, but that does not mean that there is no evidence; quite the opposite. Part of the reason for its being inconclusive is the way in which the speculation is happening. I shall come to that in a moment.

Let us be clear: famine involves political as well as economic failure. The food market is not serving the people of the world, as the hon. Member for South Thanet said. Mike Masters, a fund manager at Masters Capital Management, has done a great deal of research into this issue. He testified to the US Senate in 2008 that food speculation was certainly driving up food prices. He said:

"Most of the business is now speculation—I would say 70-80%."

He went on:

"Let's say news comes about bad crops and rain somewhere. Normally the price would rise about $1 a bushel. But when you have a 70-80% speculative market it goes up $2-$3 to account for the extra costs. It adds to the volatility. It will end badly as all Wall Street fads do. It's going to blow up."

Roger Williams: The hon. Lady is making an important point. High food prices and increased volatility seem to coincide with reduced world stocks of food, because that makes the trade more excitable. Would it not be a good idea for Governments to hold strategic stocks of food, so that they could intervene directly in these markets?

Alison McGovern: We need an effective market that encourages trade between poor countries and richer countries, because increased flows will help people in both. The threat implied by the hon. Gentleman's question is protectionism, but in the end, if countries close their borders and try to stockpile, that will help none of us. However, that is a detailed question.

As a member of the International Development Committee, I have spoken to DFID about food speculation. I am told informally that the Treasury is leading on the issue and that it is not certain that there is any evidence. However, as the issue is clearly a development matter, I would be grateful if the Minister said at some point what role the Treasury has been asked to play in spotting and dealing with food speculation bubbles, specifically in relation to the G20. What action will be taken about over-the-counter trading? We need transparency and clarity on this matter—the reason the evidence is so inconclusive is that a lot of trading does not take place in regulated commodity exchanges—and the G20 is the way to get it. Will the UK support limits on speculation, either at the G20 or in other forums? Will we question the need for high-volume or high-frequency trading? Will the UK support the regulation of commodity trading alongside the regulation of financial products? If we go from having sub-prime market speculation undermining our global economy to having food speculation undermining it, we will have made the same mistake twice. I hope that at some point the Minister will comment on that regulation.

Heidi Alexander: The Minister will be unable to respond to the points that my hon. Friend has made today, owing to the time constraints in this debate. However, I have met Michael Masters and I know his concerns about commodity index funds. Will she join me in urging the Minister to write to those Members who have expressed concerns in this debate about the action that he might take, the conversations that he might have with his colleagues and the position that will be adopted in the upcoming discussions in Cannes?

Alison McGovern: My hon. Friend makes an incredibly helpful suggestion. The Minister might consider writing to those Members who have raised the matter in this debate or, indeed, to the Chair of the International Development Committee to explain what exactly DFID is doing to work alongside the Treasury.

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien) *rose—*

Alison McGovern: I hope that the Minister is about to tell me how the Treasury will assist DFID in tackling food speculation bubbles.

Mr O'Brien: I am not going to give an immediate response because that is not how this debate has been designed. However, I can say that before the previous intervention I had already made a note that says, "Write a letter to the hon. Member".

Alison McGovern: I thank the Minister for that. My fear is that we have an absence of leadership on some of these issues. I hope that his clarification will help us to move away from that.

At the end of the day, Britain has shown over the last decade what can be achieved to tackle global poverty if people right at the top of our politics are prepared to stand up and perform their moral duty to help poor people wherever they happen to live. I hope that all of us in this debate are behind that approach, and that the Minister will assist us in taking forward our aim of tackling not just today's urgent problem, but the long-term strategic difficulties with food speculation.

2.32 pm

Pauline Latham (Mid Derbyshire) (Con): I congratulate my hon. Friend the Member for Hastings and Rye (Amber Rudd), the hon. Member for Lewisham East (Heidi Alexander) and all right hon. and hon. Members who have spoken—particularly the hon. Member for Wirral South (Alison McGovern), who has just spoken—on such a united debate.

As many Members have mentioned, smallholder farmers are one of the keys to food security, and therefore to poverty reduction and creating sustainable livelihoods. That in turn will lead to less aid being required, which must be the goal that we are looking for. However, corruption in many countries in Africa must be tackled, including the secret sales of mines, with the money going to tax havens and no directors' names being available, which means that it cannot be tracked. Not enough emphasis has been put on agriculture

in developing countries, but I believe that the world has woken up to the importance of the agricultural potential there.

A couple of months ago, I along with several colleagues went with the International Development Committee to Rwanda, the Democratic Republic of the Congo and Burundi, three very different countries. Whereas Rwanda is investing in terracing, soil nutrition and irrigation, the DRC is in chaos, spending money on things that will not reduce the poverty of those who live there. Burundi has land that is extremely impoverished. The crops that we saw were extremely poor, and the farmers there need help to use fertilisers to aid crop intensity. The soil is so poor because of erosion and the lack of crop rotation. Each family in the village that we stayed in—or that most of us stayed in—grows its own food, but a more intensive project could help them to move from poverty to a higher standard of living by selling any excess, which unfortunately they currently do not have; indeed, they do not even have enough to feed themselves.

In Uganda, where I have been involved in an agricultural project, farmers are beginning to reap the rewards of working harder and working together. They now need a machine to grind the maize into flour so that the excess can go to the markets. In Kenya, an organisation called Free the Children works with schools and women to encourage them to have a kitchen garden for use in school kitchens and at home. Children are much more likely to attend school when their parents know that they will receive a meal—any meal, never mind a nutritious meal. At home, the parents can also provide a much more varied diet if helped to begin growing a diversity of fruit and vegetables. A well-fed child can learn better and is less likely to succumb to diseases; and if they become ill, they have more reserves to recover than some of the children we see all too frequently on television. Ghana has done well over the past two decades in stimulating its agriculture. We should encourage different countries in the continent of Africa to learn from each other about what works.

In India, the Select Committee saw a farmer who had moved away from the traditional subsistence crops to grow chillies. His income had improved tenfold and he was an extremely happy man because he could afford to send his children to school.

Much of what needs to be done is simple and straightforward—for example, building rural roads, funding agricultural research, ensuring that rural people have access to clean water. Other things, such as finding effective ways to stimulate rural financial systems or to conserve soil and water, require trial and error to find effective solutions in local circumstances. It follows that those efforts need to be sustained, allowing enough time for promising developments to become embedded before switching attention and funding to some other issue.

Women make up the majority of smallholder farmers, on top of all the other jobs they do, and we know that when women earn the money, they spend 90% of it on the family—in comparison with men who spend 40% or less, as they do not see the family as being so important. As in all countries, women are more concerned with the welfare of the family, so they spend on health, education and nutrition.

In order to increase their production and therefore their incomes, smallholder farmers need access to affordable inputs, like seeds and fertilisers, and to technology, credit and advice. With climate change affecting so much of the African continent, they must also have access to drought-resistant varieties and crops with higher nutrition; they need to be shown how drip irrigation goes specifically to the roots of plants so that they do not spray water on to soil that does not need it.

The UK is committed to spending £1.1 billion over the three years since the L'Aquila summit, but we are not delivering, so I call on the Minister with responsibility for Africa to step up the finance in all areas to provide better opportunities for these countries. The Department for International Development has the opportunity massively to increase its funding to food security and agricultural development when it increases its aid budget by £1.3 billion in 2013.

When there is a crisis like the one that we see in east Africa, flying humanitarian aid in in the form of food is so costly that it makes perfect sense to invest in helping people to become self-sufficient before the next drought and famine, but African countries need to do their bit as well. They are committed to spend at least 10% of their budgets on agriculture, but that is happening only in seven countries—

Madam Deputy Speaker (Dawn Primarolo): Order.

2.38 pm

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): I welcome the opportunity to contribute to this debate, which shows the value of having Back-Bench debates in which there is perhaps more to agree on than divides us. We have heard some moving speeches and contributions from people who have seen first hand what is happening in the crisis-hit areas. That is important. I do not think that anyone who has seen the images on our television screens could fail to be moved by them.

As other hon. Members have pointed out, at this time of stringency and belt-tightening, it is important to convince the public that it is right to continue to protect—and, indeed, to look at how to increase—aid budgets. I recognise that the Government have listened to Parliament on this issue. I recognise, too, the generosity of the public, many of whom are, like many of my constituents, on low incomes themselves, yet they continue to give generously to the various appeals. Initiatives like the "Give a Day's Pay" campaign, which was supported by *The Independent*, provide a welcome addition to the organisations appealing for aid. There was also the Disasters Emergency Committee appeal, to which the public contributed about £57 million in just eight weeks.

Members have spoken about the famine problems in Somalia. The UN estimates that a quarter of its population, 1.8 million people, have been displaced. Such figures easily trip off the tongue, but as hon. Members have pointed out, we are talking about real people, real lives and real human tragedies. No one could fail to be moved by the images of mothers who have lost their children on the long march to find food or who must watch their children die in front of them from lack of food.

Bob Stewart (Beckenham) (Con): As someone who has worked in such countries—and my wife has worked in the horn of Africa as an International Committee of the Red Cross delegate—may I point out that the problem is that the region has historically not been able to sustain those who live there? Perhaps now we should

[Bob Stewart]

think about moving people to a better place that can sustain them, rather than building up camps that attract people who are then trapped, and whom we must feed for years. Does the hon. Lady agree?

Cathy Jamieson: I thank the hon. Gentleman for his intervention. Although we are short of time, I do want to move on to the issue of sustainability. Some of the organisations that briefed us were worried about people being displaced from their natural areas and ways of life, and about the process whereby people come to sit outside the camps and are screened before they come in, with all the associated difficulties. I accept that the problem is complex. The political situation in countries such as Somalia can easily discourage those involved in dealing with the issues, but we ought to continue to deal with them none the less.

I pay tribute to those in the aid agencies who have risked—and, indeed, have lost—their lives trying to ensure that aid is delivered in sometimes very difficult situations. I also recognise the work of a Scottish charity, Mary's Meals, which has launched an emergency relief response in Somalia as part of its latest effort to support starving people affected by the food crisis across east Africa. It is providing 100 tonnes of food aid to Somalia's capital, Mogadishu, to which tens of thousands of people have fled in search of food. It is estimated that the charity's efforts will provide about 900,000 meals in famine-hit Somalia. The organisation has already been feeding more than 24,000 children with a daily life-saving meal in northern Kenya. As we approach the weekend, when many of us may be thinking about going out for a meal or having our favourite takeaway, it is worth noting that the cost of one life-saving Mary's meal is 4p, so perhaps we could skip one of our meals out or takeaways this weekend and make a donation to that worthy cause instead.

We must learn from the various crises about how best to avoid such situations happening again. Many of the organisations who spoke to me said that warnings of the crisis were there, and that although they are well geared up to coping with crises when they occur, they are not as good at preventing them. The warning bells were ringing loud and clear, but the current systems made it hard to intervene and to get everyone to move together. I am sure that Ministers will comment on that issue, which I know they take very seriously.

Several Members have referred to food crises being caused not simply by a failure of food production or lack of food, but by some people not being able to access it. I am sure that the Minister will comment on that too.

We have also heard several good contributions about resilience. With the best will in the world, there are still occasions when we do not spend aid money on the right things. I have been told of instances in which irrigation schemes, introduced with the best of intentions, led to the displacement of some pastoral communities, who were forced to move into other areas because they could no longer keep their livestock alive as they had in the past.

When I was in Rwanda I saw some examples of how aid had helped local farmers to produce more indigenous crops. However, one of them told me that, having traditionally grown cassava, he was now being encouraged—with the best will in the world—to grow mandarin oranges, which he did not like very much, and that he did not find it helpful. That example reinforces the point that we must always work with people in those communities and listen to what they say.

2.45 pm

Andrea Leadsom (South Northamptonshire) (Con): I congratulate my good and hon. Friend the Member for Hastings and Rye (Amber Rudd) and the hon. Member for Lewisham East (Heidi Alexander) on securing a debate on a subject that should be receiving far greater attention from the world's leaders and press than it has to date.

My own recent experience of Africa has been through annual trips to Uganda with a group of Northamptonshire sixth-formers. I set up a project in 2006 with the aim of linking schools in the two countries and helping young people to gain a greater understanding of one another's lives and culture. Each year since then we have held a youth conference in Uganda, where the topics discussed have ranged from the role of women to fair trade, the environment versus development, and the role of supranational institutions. The conferences provide a fantastic opportunity for students to learn from each other's very different experiences, but the one message that we have always heard loud and clear from those young Africans is that they want to make their own way as equals, and that aid for the poorest should offer a hand up rather than a handout.

The situation in the horn of Africa is devastating. More than 13 million people are affected in Ethopia, Somalia and Kenya, and the number is increasing. Tens of thousands of people are already dead, and the United Nations estimates that three quarters of a million risk dying in the coming months. However, to my great sadness, I have received one or two letters from constituents asking why we are bothering to try to help. They point to the fact that we have problems in our own country, and suggest that because of AIDS, civil wars, disease and natural disasters these people will die anyway, so it is all a waste of money. That is a pretty shocking attitude, but one that requires a serious and logical response. The problems of African famines are a stain on the conscience of the developed world.

I recently met a successful Asian Ugandan business man in the United Kingdom who argues that Africa subsidises the west, not the other way around. He analyses the price of a tonne of fresh pineapple or a tonne of coffee beans, which is the only income for the African producer. He then calculates the margin added by the processing of the produce—usually in the west—and the margin added by the western retailer, and concludes that the vast bulk of the value from primary goods is earned in the west. One can see his point.

I am proud that the Government stuck to the Conservative manifesto pledge to donate 0.7% of gross national income to aid. The United Kingdom is at the forefront of the relief effort in the horn of Africa, and is the largest humanitarian donor to the region apart from the United States. It is also good news that more donors are stepping up to the plate, and that the African Union and Saudi Arabia are now providing aid. However, we must accept that the international community has been

slow to react. There were warnings of impending drought as early as August 2010, but little was done until the rains failed in May 2011.

We need to learn the lesson once and for all that prevention is better than cure. We must not only provide support early with the aim of avoiding repeat disasters, but achieve maximum value for British taxpayers' money so that our constituents do not conclude that it is all wasted. We may not be able to predict droughts accurately, but we can do much more to prevent famine. Let me briefly outline three possible ways of doing that.

First, building community resilience is key. Improving access to markets for smallholders and giving targeted support to women who often provide the main support for the family can make a big difference. It is vital to focus on reducing trade barriers and tariffs for exports.

Secondly, we should work harder to address the real issues of poor government. It is a well-known fact that democracies have far fewer famines than non-democracies, even when differences in wealth are taken into account. Ethiopia, with a GDP of £18 billion, could afford to feed her people. Freedom of the press and a powerful opposition would have a dramatic impact in promoting prevention measures. Likewise, introducing property rights that allow farmers to own, rather than just lease, their land would give them greater ability to manage their own livelihoods.

Finally, when this immediate crisis wanes, I think we should look closely at Save the Children's policy of distributing food vouchers rather than food. I am no expert, but it seems to me to be essential to enable the means of exchange. Families who are able to use vouchers to buy food and clean water to meet their own needs are empowered by that, and that creates better incentives for farmers to produce in order to meet demand. British aid is best spent helping Africans to help themselves. I fully believe in the old saying, "It's better to give a fishing rod than a fish."

2.50 pm

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): I congratulate my hon. Friend the Member for Lewisham East (Heidi Alexander) and the hon. Member for Hastings and Rye (Amber Rudd) on both securing the debate and their speeches. Several other Members have also made powerful contributions. They focused on the horn of Africa, and rightly so given current circumstances.

Given the breadth of the motion however, I want to touch briefly on food security in Malawi. I should first declare an interest: I am the co-chair of the all-party group on Zambia and Malawi. Some positive signs are coming out of Malawi, which it is useful to bear in mind when considering wider issues across Africa. In 2004, national food production in Malawi was 0.9 million metric tonnes in deficit. In 2011, it is estimated that there will be a food surplus of 1.2 million metric tonnes. That is a remarkable turnaround, and is in no small part thanks to the farm input subsidy programme introduced in 2005 by the Malawi Government and supported by international aid.

Agriculture is the backbone of the Malawi economy, contributing more than one third of entire GDP and employing 80% of the country's work force. The programme targeted support at the most vulnerable households, allowing them to access the fertiliser and maize seed required to improve agricultural productivity and food security. A voucher system was used, which targeted millions of maize farmers and hundreds of thousands of tobacco farmers. Farmers used the coupons to purchase fertilisers and seed.

Combined with sometimes favourable rain seasons, the programme resulted in dramatically increased maize harvests. That has allowed the Malawi Government to transform the country from a land of perennial famine to a net exporter of maize. Malawi now exports 400,000 tonnes of grain to Zimbabwe and 80,000 tonnes to Swaziland and Lesotho. Not only has harvest yield increased, but the programme has improved the food loss situation. In talking about the importance of food production, other Members have touched on reducing food loss, and post-harvest food loss in Malawi has fallen to 7.6% in 2009-10, which is a dramatic improvement on the previous figure. As the United States Agency for International Development confirms in its most recent assessment of food security in Malawi, the outlook is good.

There are, however, considerable diplomatic and governance issues in respect of Malawi, as the Minister will know, and there are still pockets of the country where the situation is not so positive, mainly in the south. Concerns have also been raised in some quarters about various elements of the programme, particularly the multinational seed suppliers and some issues touched on earlier by the hon. Member for Romsey and Southampton North (Caroline Nokes). However, the Malawi successes are worth highlighting as examples of where, beyond addressing initial, pressing famine needs, long-term planning can make a positive difference, as there may be lessons for other parts of Africa.

Like my hon. Friend the Member for Kilmarnock and Loudoun (Cathy Jamieson), I want to use this debate as an opportunity to pay tribute to the Scotland-based charity, Mary's Meals. It started its work in Malawi back in 2002, providing school meals to impoverished children. Incredibly, it now provides meals to 450,000 Malawian schoolchildren a day. Food security is central to the raison d'être of Mary's Meals. The organisation was set up after a conversation between its founder and the eldest son of a Malawian woman dying of AIDS. When he was asked what he wanted from life, his response was that he wanted to have enough to eat and to go to school one day. Those are not particularly lofty aspirations, but for very many people in Malawi they were but a dream. It is on that basis that Mary's Meals adopts a very simple approach in Malawi, which is that education is the best route out of poverty and food insecurity. A hungry child is a restless child, and a restless child is less likely to learn. Education is key to climbing out of poverty and to ensuring food security for the people of Malawi and other countries.

As I stated, Malawi is far from perfect. There are many problems there and many issues still need to be addressed: too many of its citizens still live in inhumane poverty; too many children go without food; and too many people still die of HIV/AIDS. However, at a time of great famine in other parts of the continent, the progress made in Malawi is a timely reminder of what specific and targeted Government action can do to increase food security for some of the most impoverished in the world.

2.55 pm

Sarah Newton (Truro and Falmouth) (Con): I am pleased to be able to participate in this afternoon's debate. I know that quite a few Members still wish to speak, as we were a bit later starting this debate than we might have been, so in the hope that everyone who has waited so patiently will have an opportunity to make a few remarks, I will cut down my comments and therefore not get to the aspects of my speech relating to food security and our united belief that prevention is better than cure.

I wish to associate myself with the comments made by all those who have paid tribute to the voluntary organisations that are doing such fantastic work. I also wish to reflect on some of the things that the Government could learn from the current humanitarian crisis and on how we might improve our response in future. I wish to pay tribute to ShelterBox, a great Cornish charity set up by a group of Rotarians, that provides humanitarian aid. It does so mostly in the form of shelter, but it also enables people to cook food and ensures a good supply of clean water through its boxes. It was set up in 2000 and has responded to more than 140 disasters in more than 70 countries. This voluntary organisation relies totally on individual donations and does not receive any funding from the Disasters Emergency Committee appeals.

The ShelterBox team that is currently in east Africa went out there in July. ShelterBox response teams are made up of highly trained volunteers, and they have been working with people from the UK, Australia, Canada, the USA, France, New Zealand and Germany. So far, they have been able to assist more than 8,600 families, contributing more than £2.2 million-worth of aid. They have been doing that in the refugee camps in Ethiopia, as well as in Somalia. They often undertake such work in extremely difficult circumstances, at great risk to themselves, and it is important that we pay great and fulsome tribute to all those volunteers.

In Kenya alone, ShelterBox boxes have assisted 7,000 families and in the Dadaab refugee camp approximately 1,000 people a day are being helped, with 100 to 150 tents put up daily. The teams are working with a great number of organisations from all over the world and with local people, who are assisting with putting up the tents. The people in the teams wanted me to say to the Government that they have really noticed the improvements that have been made—the much better co-ordination among the non-governmental organisations and the various supranational organisations on the ground—which are making their life much easier. However, they are able to address only a fraction of the need.

Other hon. Members have set out how much more needs to be done. On 15 August, Adrian Edwards, the United Nations High Commissioner for Refugees spokesman, said:

> "As well as needing food and water, these new arrivals urgently need proper shelter, medical help and other basic services".

The UNHCR estimated that another 45,000 tents were needed, which brings me on to the recommendations that I would like the Government to consider.

I welcomed the humanitarian emergency response review carried out by Lord Ashdown and published in March. I remind my hon. Friends that the aim of the review was to deliver the maximum possible benefit to those affected by disasters while at the same time delivering value for money for the UK taxpayer. I also welcome the Government's response for two particular reasons: first, they recognised the important role of independent charities and the value of their role in disasters emergency relief; and, secondly, they made a commitment to set up a rapid response facility to pre-approve high performing UK charities and to enable them to do more of what they do so well.

At the time, the Government announced that there would be a consultation on the rapid response facility. I hope that while the consultation is going on the Government will learn from the excellent work of ShelterBox. A key message the charity has given to me is that, despite the fact that we are all going to work and redouble our efforts to prevent problems, disasters in the world are increasing as a result of climate change and other issues. It is important that we should be able to build up reserves so that when disaster strikes we can quickly get aid to where it is needed. Of course, tents take time to be manufactured, and it is important that the Government should enable organisations such as ShelterBox to manufacture its very specialist tents, which can provide so much important shelter and comfort.

I hope that the consultation can be speeded up and the recommendations implemented so that more UK charities, such as ShelterBox, can provide desperately needed help and do what they do best. Although charity begins at home, it does not end there. I urge the Government to do all they can to enable this great little Cornish charity to carry on making its substantial contribution.

3.1 pm

Kerry McCarthy (Bristol East) (Lab): I, too, congratulate the hon. Member for Hastings and Rye (Amber Rudd) and my hon. Friend the Member for Lewisham East (Heidi Alexander) on securing this debate. I went out to Kenya with my hon. Friend about a year ago and I shall touch on some of the things we saw during that visit, which had a profound impact on both of us, not just negatively as we saw the problems faced by people out there, but positively as we saw what incredible things could be done for a very small outlay.

Let me start by talking about Somalia. As I said in my intervention, there is a Somali community of significant size in Bristol—some say that it is about 20,000 strong. Many arrived as refugees but others arrived from the former British colony of Somaliland. It is obviously no coincidence that Somalia has coped a lot worse with the drought situation than neighbouring countries, such as Ethiopia. Ethiopia has in place a food safety net to deal with such situations and when I went out there with the all-party group for Somaliland, we stayed in Addis Ababa and had lots of conversations with individuals from the Department for International Development and from the embassy. We then went out to Hargeisa to see the situation in Somaliland.

I was struck by the efforts that have been made on the aid front in Ethiopia, including the food safety net and public service agreements, which, despite political instability, problems and issues caused by the climate, were there as, indeed, a safety net. There is a complete lack of that in Somalia. There is also an effective early warning system in Ethiopia, which is not possible in a country as unstable as Somalia.

Constituents have time and again expressed their concern that Somalia has never had the political attention it deserves, and questions are always asked about why Sudan is seen as a political imperative as opposed to any other country that is riven by tribal conflicts or that has problems. I suspect that it is partly because Somalia is seen as such an intransigent and difficult-to-solve problem. One thing that could be done, however, is to give recognition to Somaliland. I was one of the founder members of the all-party group for Somaliland and it has been politically stable since the civil war of 1991, it has fair and free elections and there is huge potential to build the infrastructure and work with the diaspora to set up commercial organisations and use the ports at places such as Berbera for exports, making the country a lot more profitable and cementing its stability.

On food security, according to the World Bank, investment in agriculture in the developing world is between two and four times more effective in reducing poverty than investment in any other sector. As my hon. Friend said quite compellingly, agriculture has not been at the forefront of aid efforts; often the sector does not appear in country plans. It is important, and I hope that today's debate helps to put down a marker that it should be given more priority.

When I was in Kenya last year with the all-party group I saw the work of the UK organisation Send a Cow, which has been working for over 20 years in Africa, and subsequently went to visit its offices near Bath. The organisation tells me that it takes an average of three to five years for an extremely poor community to become self-sufficient through one of its programmes. It would argue, and I agree, that that is a much better investment than having to provide food aid every time the rains fail. Self-sufficiency is key. The organisation achieves that by creating a network of peer farmers, so that the people who benefit from its initial work then train others in the community. Each family that the organisation works with passes on livestock, seed and skills to an average of 10 others in their community.

We saw in Kenya what a difference is made by small changes to farming methods—such as planting fertiliser pellets a certain distance from seeds so that they do not burn the seedlings as they come up—and investment in barns to improve grain storage. We saw the work of FIPS-Africa—Farm Input Promotions Africa—and FARM-Africa in developing disease-resistant strands of crops and we learned more than we ever needed to know about the insemination of goats. Those are small changes, and sometimes they are surprising because we think that they are things that people should have learned through farming the land over years.

When I went to India I spoke to a farmer who had just moved back to organic farming. He had come under huge pressure from companies selling pesticides to adopt what we in the western world would call modern farming methods, but when he switched back to organic methods his crops were far better and he was able to sell his food at market and make more money as a result. Some of these things have to be relearned, and we have to be careful that we do not try to impose our way of doing things.

Alison McGovern: Does my hon. Friend agree that that highlights the point made earlier about the question of DFID's focus on agriculture and whether there needs to be a shifting of emphasis to some of the points that she is making?

Kerry McCarthy: That is true. In Bangladesh I went to a village where free-range chickens were running around. We went down the road and saw a structure made of twigs which was basically a battery cage for hens. The person I was with said, "This is progress. We are doing things the way that you do them." In the western world we are trying to move away from battery cages and towards free-range farming. I worry—if I can end on a political note that has not yet been struck in this debate—that in this country the farming agenda has moved very much more towards speaking up for the farmers, for the vested interests and for the producers of food, and it is not about welfare methods or the consumers. There is an increasing emphasis on intensification, as we saw with the farming Minister's support for the intensive dairy farm at Nocton. We need to set the standard in this country and abroad, and say that there is a sustainable way of feeding the world which does not involve locking animals up in battery cages and putting cows in the equivalent of multi-storey car parks.

Sarah Newton: I am very sad that the hon. Lady has chosen to introduce a degree of party politics to this debate. I cannot let her comments stand. This country, quite rightly, should be very proud that it has some of the highest, if not the highest, standards of animal welfare, some of the best farmers and some of the best farming practices in the whole world. Of course we can always do more, and we should aim to do so, but that is the position.

Kerry McCarthy: That is the position because over the past 20 years or so there has been significant progress on animal welfare. That is not a matter for today's debate, but I have real concerns that the tide is turning in the wrong direction and that is a problem.

I want to end with a quote from Oxfam's Grow campaign, which states:

> "The vast imbalance in public investment in agriculture must be righted, redirecting the billions now being ploughed into unsustainable industrial farming in rich countries towards meeting the needs of small-scale food producers in developing countries. For that is where the major gains in productivity, sustainable intensification, poverty reduction, and resilience can be achieved."

That is the way forward, and I hope that we can play a major role in helping the developing countries—particularly those stricken by the famine that we are debating today—to adapt and secure their future livelihoods in that way.

3.10 pm

Jeremy Lefroy (Stafford) (Con): I draw attention to my entry in the Register of Members' Financial Interests.

I also thank the hon. Member for Lewisham East (Heidi Alexander) and my hon. Friend the Member for Hastings and Rye (Amber Rudd) for calling for the debate. I pay tribute to the outstanding work of the all-party group, which has provided so much information to so many of us. In addition, I thank all those in the country and, in particular, in my constituency, who have contributed to the Disasters Emergency Committee appeal, and the UK Government for their most generous response. In particular, I pay tribute to the Government of Kenya, who have hosted the refugees in a tremendously welcoming way, which should not be forgotten.

[Jeremy Lefroy]

So many right hon. and hon. Members have spoken eloquently and with great learning about this matter that I want to touch on only a few points in the hope of allowing others to speak. The motion states that food aid

"must always be the last resort and that improving the productivity and resilience of domestic agricultural systems in Africa must by a priority for the UK and the international donor community".

I absolutely agree. Agriculture, as many hon. Members have said, has been given insufficient attention over many years. It was seen either as something of the past or as a cash cow that could be taken for granted. Instead, much Government and aid money was ploughed into factories, which in many cases are now out of production, sitting there idly. But the farmers are still there, and what more they could have done with that investment themselves. It has not been ignored by NGOs, such as Oxfam, Tearfund, Christian Aid, the Catholic Fund for Overseas Development, Islamic Relief and many others, which have ploughed a perhaps lonely furrow over the last couple of decades, but I am glad to say that the tide is turning.

There has often been stirring rhetoric about the importance of agriculture, but in reality it has been heavily taxed, budgets for support have been low, and investment in infrastructure has been lacking—roads, storage capacity, power, irrigation, and many other things, including, as my hon. Friend the Member for Brecon and Radnorshire (Roger Williams) mentioned, research.

I recall calculating in the 1990s that the marginal tax rate for a smallholder coffee farmer in Tanzania was far higher than the highest income tax rate then prevailing in that country due to the crop levies that were being imposed locally and nationally at a time of low prices. I am glad to say that the Tanzanian Government listened and took action.

What can be done? First, agriculture must be at the heart of any developing country's plan for economic growth. I draw particular attention to the many comments that have been made about the centrality of women who do most of the work in this area and their importance to development. Agriculture provides food security, exports, employment, and, most importantly, cash direct to ordinary people. This priority has to be reflected both in the national budgets and in the taxation systems of those countries.

It follows that agriculture must also be at the heart of international development. I join colleagues who have called on the Government to put more money into supporting agriculture in the coming years. The Government are moving in the right direction, but they are not going far enough at the moment. I am delighted that the CDC will be looking to invest more in agriculture, and I urge it to live up to those words. I also welcome DFID's increased interest and support through programmes such as the Africa Enterprise Challenge Fund, where it is investing directly in smallholder agricultural products.

Productivity has to be taken seriously. It is not just a matter of improving yields, although that is essential. It is also a question of proper logistics, warehousing, cold storage, transport, packaging and marketing. As many have said, too much has been wasted.

Thirdly, the technology that is available to large-scale agriculture must be available to smaller farms. I have seen excellent examples of very small-scale farms with drip irrigation, which can improve yields dramatically, but much more could be done. Measures could be introduced to check and maintain soil fertility, ensuring the availability and affordability of fertilisers, training and extension.

I would like to make one further point, on the impact of neglected tropical diseases such as worms and schistosomiasis. The Minister knows all about this. In fact, he rightly introduced the topic to the all-party group on malaria, which published a report on neglected tropical diseases this week. It is absolutely vital that these diseases are tackled, which can be done at very low cost. They have a significant impact on productivity, as people suffering from them have a downgraded ability to work, particularly in the fields. If we can tackle these neglected tropical diseases, we will also be tackling problems of productivity and agriculture.

Finally, as has already been mentioned, borders must be opened up to trade. We have seen recently that countries in an area affected by drought are tempted to ban the export of cereals to needy neighbours because of fears for their own food security in the medium term. Although their caution is understandable, it should surely be possible to take a regional approach. I urge bodies such as the East African Community to deal with food security on a regional basis and co-operate as fully as possible. I am grateful for the opportunity to speak today and welcome the contributions from all Members who have spoken on this important subject.

3.16 pm

Mr William Bain (Glasgow North East) (Lab): It is a pleasure to follow the hon. Member for Stafford (Jeremy Lefroy), whose comments on the role of agriculture in development I agree with strongly. I too congratulate the hon. Member for Hastings and Rye (Amber Rudd), my hon. Friend the Member for Lewisham East (Heidi Alexander) and the whole Backbench Business Committee on calling this important debate.

I believe that few people across the country could fail to be moved by the scale of the disaster that has inflicted itself on the horn of Africa. More than 13 million people have been affected in Ethiopia, Somalia and Kenya, and 800,000 people have become refugees. Christian Aid and Oxfam have said that the crisis has three main causes: the worst drought in the region for 60 years; high food and fuel prices; and conflict, particularly in Somalia. Somalia's per capita gross domestic product is only $333—among the lowest in the world—and 43% of its population survive on less than $1 a day.

It is clear that long-term solutions to prevent a repeat of such a famine will require good governance, sound growth policies and active preparedness through the building of food reserves in the affected countries. However, a major factor contributing to the crisis has been underinvestment in the smallholder agriculture sector across the whole east Africa region. I welcome the contribution made by the G20 Agriculture Ministers in their June summit in Paris, where they called for an increase in food production, made food security a central issue in the G20's reforms over the next year and pointed out the need for a 70% increase in agricultural production by 2050 to deal with a global population that is likely to rise to 9 billion people.

In developing countries there is a need to double food production to prevent future crises. Three out of every four people in developing countries live in rural areas, and 2.1 billion people still live on less than $2 a day. We know that investment in the agricultural sector does more for growth and poverty reduction than investment in any other sector. I strongly welcome the launch of Oxfam's Grow campaign, which is aimed at highlighting the importance of food security and calls for the regulation of commodity markets and policies that promote the production of food rather than biofuels. Currently, subsidies for first-generation biofuels amount to $20 billion a year.

There is a clear and pressing question for the international community on food price regulation. The 2010 agriculture and commodity prices report of the UN's Food and Agriculture Organisation found that in June 2008 the prices of basic foods on international markets had reached their highest levels for 30 years, threatening the food security of the poor worldwide. In 2007 and 2008, as a result of high food prices, an additional 115 million people were pushed into chronic hunger. As US Secretary of State Hillary Clinton told the UN Food and Agriculture Organisation this May in Rome, rising global food prices since last June have pushed a further 44 million people into extreme hunger.

The World Economic Forum's report on global risk describes the link between water, food and energy as one of the future drivers of social and economic instability across the world. The International Food Policy Research Institute predicts a 30% increase in demand for water, and the International Energy Agency forecasts that the world economy will require at least 40% more energy by 2030. Half a billion people throughout the world face chronic shortfalls in water now, and that number that is likely to rise to more than 4 billion by 2050 as a result of climate change, with food production being particularly exposed.

The UNFAO outlined in its June report on crop prospects that food insecurity has reached alarming levels in east Africa, and throughout the continent some 23 countries are in need of external assistance to feed their populations. The OECD secretary-general, Angel Gurría, spoke in early June at the International Economic Forum of the Americas of the imperative to increase public and private agricultural investment and of an end to export bans.

There is an ongoing debate among non-governmental organisations and economists about the contribution of commodity price speculation and trading in commodity derivatives to the volatility of global food prices. Last week, Members were lobbied by Michael Masters and David Frenk of Better Markets, who also spoke to Governments in Paris and in London, about the need for concerted G20 action on commodity derivatives. They established the clear link between speculation from index funds and the monthly spike in commodity derivative stocks.

Such speculation does not add liquidity to those markets or help farmers, and we need the Treasury to join Governments throughout the G20 to put in place a global version of the Dodd-Frank Act, making sure that all transactions are regulated by the stock market and that, in such transactions, position limits are placed on the trading of financial institutions.

3.22 pm

Bob Stewart (Beckenham) (Con): Forgive me, Madam Deputy Speaker, for not being present for the whole debate. I wanted to be but could not. I was not going to speak—I was going to listen—but I have decided to say something.

Africa is one of the richest continents in the world, and if the conditions were right it could feed itself properly. I speak as someone whose wife started an International Committee of the Red Cross camp in south Sudan for 100,000 people. She was often shelled by the Government there, and because of that she slept most of her six months at the camp in a slit trench.

That brings me to the point that I want to make, and forgive me if it has been made already, but in so many countries it is the authorities that are the big obstacle. In so many countries in Africa, it is the leaders who tend to think that, because they are the president, the prime minister or whoever, they own that country and everything that goes on in it; and, of course, so much that goes in goes out somewhere else—to offshore bank accounts, on Mercedes cars or whatever—and does not get through. I do not know how we are going to correct that problem, but I do know that that is largely the problem. The Department for International Development is under this Government, and was under the previous Government, fully aware of it, and is doing its very best to make sure that the money that we give, either as a Government or through our wonderful charities, some of which we have mentioned today, gets all the way through.

Personally, I think that the forum of the world, the United Nations, should get a grip and somehow come up with a plan to make sure that people in Africa are fed properly, either by moving them to a place where they can be sustained or by getting some sort of arrangement with authorities whereby they do not interfere and we do not have to pay a levy—like I had to, not in Africa but in Bosnia, where we stopped the practice—to get food through to the people who need it. That is disgraceful. I very much hope that the United Nations, which is the highest authority in the world, can somehow get its act together to make sure that the people of Africa get fed properly and are not prevented from receiving proper aid by the authorities, either locally or nationally.

I hope the House will forgive me for speaking.

3.25 pm

Amber Rudd: With the leave of the House, Madam Deputy Speaker, I will wind up the debate. It is a pleasure to follow my hon. Friend the Member for Beckenham (Bob Stewart). It is always interesting to hear from him about his passionate support for the people of Africa and about what his wife has been doing to support them.

I thank the Secretary of State and the Under-Secretary for attending and thank their opposite numbers for kindly coming here as well. The common theme of the debate has been that we need to do all we can to help the people of the horn of Africa. All Members have taken the time to congratulate the UK public on their contribution and express wholehearted support for the Government's efforts, only stopping to try to redirect those efforts and introduce their own examples or themes regarding things they think can really make a difference.

[Amber Rudd]

I should like to repeat a couple of the points that have been made and ask the Under-Secretary to respond to them in due course. Sadly, he will not speak on this occasion, but I am sure that he will come back to us individually. First, I will comment on food price volatility and commodity trading. The hon. Member for Wirral South (Alison McGovern) said she was not sure whether that is a matter of concern although it has been suggested that it is. It would be helpful to those of us who are concerned about food security to achieve a settled view, if that is possible, on whether it is something that we should be concentrating on. If it is, we absolutely need to address it, but if not, we do not want it to distract us from all our other efforts. Time and money are limited and we need to know where to focus them. It has also been interesting to hear so many Members speak strongly about the importance of focusing aid towards women, who support their homes and families, and I emphasise that point to the Under-Secretary.

The complexity of the causes of the famine has not put the House off; instead, each Member has dealt with them with in their own way, drawing on their own experience to do so. The House should be proud of the fact that Members have put in such effort, resulting in a very good debate. The most important message to emerge is the urgency of improving agricultural resilience in these countries. If we can help people to grow their own food and feed themselves, we will help them to mitigate the difficulties that cause the famine we are now witnessing.

I thank the Backbench Business Committee for allowing us to have this debate and congratulate everybody on their speeches. I have very much enjoyed hearing so many Members speak so strongly and passionately about other people and countries that they care about. It is good for the House that we have done that. I commend the motion to the House.

Question put and agreed to.

Resolved,

That this House welcomes the contribution of the British public, via the Disasters Emergency Committee, and the British Government to the famine relief effort in the Horn of Africa; recognises that emergency food relief must always be the last resort and that improving the productivity and resilience of domestic agricultural systems in Africa must be a priority for the UK and the international donor community; and calls upon the Government to increase its focus on improving awareness around nutrition and agriculture in the developing world to support farmers and secure greater international food resilience and to champion the welfare of those in the developing world in the discussions on food price volatility at the upcoming G20 Summit in Cannes.

Human Rights on the Indian Subcontinent

Madam Deputy Speaker (Dawn Primarolo): Before I call Mr Steve Baker to move the motion, I remind Back Benchers that a large number of people wish to take part in this debate and that therefore Mr Speaker has put a five-minute limit on Back-Bench contributions.

3.30 pm

Steve Baker (Wycombe) (Con): I beg to move,

That this House has considered the issue of Human Rights on the Indian Subcontinent.

I am extremely grateful to the Backbench Business Committee for making this debate possible. My predecessor, Paul Goodman, took this issue extremely seriously and I am sure that had this mechanism been available he would have called such a debate. I am also extremely grateful to the Members who turned out to support me at the Committee: my hon. Friends the Members for Colne Valley (Jason McCartney), for Burton (Andrew Griffiths) and for Birmingham, Yardley (John Hemming), my hon. Friend the Member for Ilford North (Mr Scott) who spoke about Sri Lanka, the right hon. Member for Rotherham (Mr MacShane) and the hon. Member for Scunthorpe (Nic Dakin).

The origin of this debate was my request for a debate on human rights in Kashmir and the request of my hon. Friend the Member for Ilford North for a debate on Sri Lanka. Unfortunately, some commentators mistakenly thought that we sought to conflate the two issues. That is not the case. It suited the Backbench Business Committee to bring the issues together under the heading of "Human Rights on the Indian Subcontinent".

I have a simple purpose: to give a voice to the thousands of British Kashmiri constituents who demand and are entitled to representation in this place, their Parliament. I am aware that many Members wish to speak about Sri Lanka, so for the sake of time I will rely on my hon. Friend the Member for Ilford North to cover that issue. I will say only that I support my Tamil constituents' demand for an independent international investigation.

Mr Lee Scott (Ilford North) (Con): As my hon. Friend rightly said, I will speak more about the issues relating to the Tamil community later. Does he agree that what is needed is justice for the Tamil people?

Steve Baker: I do agree with my hon. Friend. When I come on to my later remarks, I think he will share my view that this issue is part of the legacy of the British empire and its withdrawal from the world.

Gavin Shuker (Luton South) (Lab/Co-op): Does the hon. Gentleman agree that the importance of this debate is that it will give a voice not only to parliamentarians, but to the people of the countries that are affected, such as those in the disputed region of Kashmir?

Steve Baker: Not for the first time, I agree with the hon. Gentleman. That is absolutely our reason for being here: to give a voice to those people.

Joan Walley (Stoke-on-Trent North) (Lab): I genuinely congratulate all the Members who have got this matter on to the agenda of our Parliament this afternoon. There are many people in Stoke-on-Trent from Kashmir who feel strongly that the issue of civil rights and justice

needs to be on the diplomatic agenda of the Foreign and Commonwealth Office and that it must negotiate on this issue. We need to deal with the human rights abuses and it is important that this debate is followed through.

Steve Baker: I am grateful to the hon. Lady. I am pleased that there seems to be a cross-party consensus on the nature of this conversation, and I hope that will continue throughout the afternoon.

Mr Brian Binley (Northampton South) (Con): Does my hon. Friend agree that seeking a judgment on behalf of one side is a bit pejorative and that what we really need is to create healing between two groups of people that have both been harmed by a very damaging terrorist war?

Steve Baker: My hon. Friend will find as I make progress with my remarks that I agree with the thrust of what he has said. I certainly do not wish to be divisive.

The status of Kashmir and the history of events leading to its division have long been contested and have led to at least three wars between India and Pakistan. India claims that the former princely state of Jammu and Kashmir legally acceded to it in 1947. Pakistan claims that Kashmiris were denied their choice of which state to join and holds that the status of Kashmir can be decided only by a plebiscite in line with UN resolutions. Kashmir has been divided since 1948 by a ceasefire line, known as the line of control. It is not my intention to rehearse the whole history of events as time does not permit it.

The region remains one of the most militarised in the world, with thousands of troops on both sides of the line of control. Further to the remarks of my hon. Friend the Member for Northampton South (Mr Binley), I do not think that is in the interests of either country. Various peace negotiations have taken place, leading to a number of practical, confidence-building measures, but I am afraid that the Mumbai attacks interrupted them.

For me, the history of Kashmir emphasises an absolutely vital point—the importance of peace and comprehensive non-aggression, because when violence begins, despair is not far behind. There are those who say that we should not be discussing these matters today, but for me the ghosts of empire have left us with an inescapable paradox. On the one hand, India is entitled to make its way in the world; it is the largest democracy in the world and there should be no echoes of paternalistic colonialism. On the other hand British Kashmiris, for whom the Kashmir issue is of deep, abiding and passionate concern—for the world is a small place—demand and are entitled to a voice in this place on this issue.

John Hemming (Birmingham, Yardley) (LD): On that point, the British Kashmiris in my constituency are asking for justice for Kashmir—for investigation and action to stop human rights abuses. Does my hon. Friend agree that that is a key thing to do?

Steve Baker: Absolutely, and I shall come to that point.

I do not intend any lazy demagoguery, as that would be too easy—no cheap condemnation of India and, I am afraid, no false hopes for Kashmiris.

Bob Blackman (Harrow East) (Con): Will my hon. Friend give way on that point?

Steve Baker: No, I am sorry; I must make progress.

I wish to discuss Kashmiris' rights to life, liberty and democratic self-determination, and to connect those issues. My Kashmiri constituents have brought to me allegations that I scarcely believed of killing, mass murder, rape, brutality and arbitrary detention. Having visited Mumbai and found India a mature country with a sophisticated democracy and institutions modelled after our own, I found those allegations hard to believe, yet the Foreign and Commonwealth Office's human rights report of May 2011 confirmed that reports of human rights abuses on both sides of the line of control in Kashmir continued in 2010. Indian Prime Minister Singh has said that human rights violations by security forces in Kashmir will not be tolerated and he has instructed security forces to respect human rights. We must hope that his words are honoured by those in Kashmir.

Human Rights Watch this year called for a repeal of India's Armed Forces (Special Powers) Act. It says that soldiers found responsible for serious human rights violations remain unaccountable because of immunity provided under that law. There might be propaganda on both sides—indeed, I am sure there is—but no one should allow themselves to believe that allegations of human rights abuses in Kashmir are unfounded.

Mr Denis MacShane (Rotherham) (Lab): On a point of order, Mr Deputy Speaker. I have just received a communication from an Indian paper called Daijiworld. The headline reads, "India reacts strongly to British parliamentary debate on Kashmir". We have not even had the debate and already a parliamentary democracy is telling us that we should not be having it. That is not quite a point of order, but this really is an insult from the Indian journalists who say we should not even be debating this in our own House of Commons.

Mr Deputy Speaker (Mr Nigel Evans): Thank you, Mr MacShane. Perhaps you have just introduced a new practice in which people stand up and say, "Nearly point of order, Mr Deputy Speaker." You are quite right: it was nearly a point of order but it certainly was not one for the Chair. However, it has been put on the record.

Steve Baker: I am most grateful for the right hon. Gentleman's contribution.

As I was saying, we must not deceive ourselves. Moving on to issues of freedom of movement, of association, of speech and so on, I want to mention a report by Amnesty International entitled, "India: A 'lawless law': Detentions under the Jammu and Kashmir Public Safety Act," which contains a number of allegations regarding the use of preventive, administrative detentions. The contents include:

> "Violations of the principle of legality…Delayed and secret reasons for detention…No access to judicial authority…Restrictions on access to legal counsel…Indefinite detention of foreign nationals…Immunity of officials…Incommunicado detention …Torture…Detention without any legal basis".

That Amnesty International report deserves an answer.

Lilian Greenwood (Nottingham South) (Lab): The hon. Gentleman is right to highlight the suffering of the people in Kashmir and the problems that they face daily. Does he share my concern that the international community has not put this issue high enough up the agenda by seeking to reach a resolution that brings peace to such a beautiful part of the world?

Steve Baker: The hon. Lady is right, and I am most grateful to her. Of course, I share that view, which is why we are here today.

Barry Gardiner (Brent North) (Lab): Will the hon. Gentleman be characteristically even-handed and mention the Amnesty report, "As if Hell fell on Me: the Human Rights Crisis in North-west Pakistan," given that this debate is about human rights issues on the subcontinent as a whole?

Steve Baker: I am most grateful—

Mr Deputy Speaker (Mr Nigel Evans): Order. Before the hon. Gentleman responds to that intervention, I remind him of the guidelines about the length of his contribution.

Steve Baker: Thank you, Mr Deputy Speaker. I have taken my last intervention. The hon. Member for Brent North (Barry Gardiner) makes a good point, although I have not read that report. I am seeking to be even-handed, but even so, I have to enter this into the record for the sake of discussion. The "lawless law" report states that by using the Jammu and Kashmir Public Safety Act

"to incarcerate suspects without adequate evidence, India has not only gravely violated their human rights but also failed in its duty to charge and try such individuals and to punish them if found guilty in a fair trial."

I wish to express considerable humility on this point, because the Jammu and Kashmir Public Safety Act is very much in line with the principle at least of our own control orders and terrorism prevention and investigation measures. The House should therefore not be too quick to condemn the principle of what India is doing. It is very much in line with what we have done. In my Second Reading speech on TPIMs, I condemned administrative detention outright and then withheld my vote from it, so I hope that I will escape the accusation of hypocrisy.

We need to consider how these measures arise. Why do democracies turn to such measures? I suggest that when democracy is denied, people turn away from it and end up seeking violence. I am proposing, for the people of Kashmir, a comprehensive policy of non-aggression, peace and democratic self-determination under the terms of the UN resolutions. I accept that the situation in Kashmir can only, and must, be resolved by Kashmiris, India and Pakistan, but we must acknowledge in this place the absolute moral, legal and political equality of the Kashmiri people and take whatever steps are appropriate to secure demilitarisation, democratic self-determination and a prosperous and secure future for Kashmir. I hope that the Government are listening and will take whatever steps they can.

Mr Deputy Speaker (Mr Nigel Evans): I remind Members that there is a five-minute limit on speeches.

3.42 pm

Shabana Mahmood (Birmingham, Ladywood) (Lab): I am grateful to be called to contribute to this important debate and I congratulate the hon. Members for Wycombe (Steve Baker) and for Ilford North (Mr Scott) on securing it. I am pleased that it has proved so popular with parliamentary colleagues, although the unfortunate flip-side is that we have a strict time limit on our contributions.

Like the hon. Member for Wycombe, I wish to focus my comments on the situation in Kashmir. This topic is important to me because my constituency, and Birmingham as a whole, has a large British-Kashmiri population, some of whose members are here for the debate and many of whom have written to me asking me to voice their concerns in the House. The subject is also important to me personally, because I am of Kashmiri origin: my family originated from the Mirpur district of Pakistani-administered Kashmir, both my parents were born there and I still have family and friends there. Consequently, the plight of Kashmiris and the necessity of finding a peaceful resolution to the Kashmir dispute have loomed large in my life.

For too long the beautiful region of Kashmir, often described as paradise on earth, has been caught in one of the world's most dangerous conflicts, but it is a conflict that is little reported and often does not get the media and global political attention that it needs and deserves. I am grateful, therefore, that this debate has given us an opportunity to focus on the issue. I know, too, that many British Kashmiris are grateful to the all-party group on Kashmir and Sultan Mehmood Chaudhry, a former Prime Minister of Azad Kashmir, for their efforts to raise the profile of this dispute and to secure political debate and action.

The failure to resolve the Kashmir dispute, and particularly the failure to give effect to UN resolutions from the 1940s urging a plebiscite in Kashmir so that the Kashmiri people can determine their own future, has resulted in an uprising in Indian-administered Kashmir, the suppression of which, according to Amnesty International's "lawless law" report, has led to grave human rights violations. The report highlights disturbing and unacceptable cases of abuse, with the application of the Jammu and Kashmir Public Safety Act 1978, in particular, undermining efforts to achieve a peaceful resolution. Amnesty International found that many cases in which the Public Safety Act had been applied involved lengthy periods of illegal detention of political activists seeking Kashmiri independence, in violation of Indian national law as well as international law. Many cases featured allegations of torture and other forms of ill treatment being used to coerce people into making confessions.

One of the most offensive features of the Public Safety Act is that it provides for immunity from prosecution for officials operating under it, thereby granting impunity for human rights violations under the law. The application of the Act, together with the discovery of mass graves in Kashmir, the Mumbai attacks in 2008 and Kashmir's bloody summer of 2010, have undermined the prospects for a resolution of the dispute.

Lyn Brown (West Ham) (Lab): My hon. Friend is making a passionate speech, and I am proud to be sitting here listening to her. Does she agree that India should accept the findings of the commission on the mass graves in Kashmir?

Shabana Mahmood: I am grateful to my hon. Friend for her intervention, and I endorse her contribution. I know that she, too, is a passionate advocate of human rights on the Indian subcontinent.

A resolution is needed, desperately and urgently. The world, and especially the people of Kashmir, cannot afford for India and Pakistan to be engaged in perpetual dispute over the region. The human cost is too great. The partition of the two countries in 1947 resulted in hundreds of thousands dead. In the three wars that have been fought between the two states more than 15,000 people have died, and the estimates of the number of dead following the uprisings in Kashmir range from 40,000 to 100,000. Both countries spend too much of their budgets on defence; that money should be channelled into eradicating poverty and promoting health, education and human rights. India and Pakistan have both acquired nuclear weapons, and the fear that the hostility between the two countries, which springs from a mix of religion, history and territory, might change quickly into armed conflict is very real and never too far away. Meanwhile the people of Kashmir continue to suffer, so a resolution of the dispute deserves and demands our attention, and talks must be pursued with vigour on all sides.

John Hemming: Does the hon. Lady agree that this debate shows that we are not forgetting Kashmir? The treatment of the people of Kashmir is key, and we will not ignore that.

Shabana Mahmood: I endorse the hon. Gentleman's comments. As I have said, I am grateful that we are having this debate today.

I said that all sides needed to pursue a solution with vigour, because too often the rest of the world sees only India and Pakistan as the main contestants in the dispute. It is my contention, however, that the Kashmiri people themselves are the central party and should be treated as such, as it is their future that is at the heart of the dispute.

I also think that the British Government have a vital role to play, not only because of our history but because our country is home to large diaspora communities from India, Pakistan and Kashmir. We therefore have a unique insight into the intricacies of the dispute, and an important role to play in achieving its resolution. We should be a critical friend to both India and Pakistan, and a strong advocate of the rights of Kashmiris. They are a strong, resilient, proud, generous and passionate people, and their land is a place of great natural beauty and potential. Their plight demands our attention, and they deserve our efforts to bring the injustice that they have suffered to an end.

3.48 pm

Mr Lee Scott (Ilford North) (Con): I pay tribute to my hon. Friend the Member for Wycombe (Steve Baker) and the others who have secured this joint debate. I also assure my hon. Friend the Member for Northampton South (Mr Binley) that I intend to ask for justice for all in Sri Lanka.

Mr Binley: I am delighted.

Mr Scott: I knew that he would be pleased to hear that.

As we have heard from the right hon. Member for Rotherham (Mr MacShane), it seems that we are not allowed to debate in our House of Commons issues that affect our constituents. Well I can assure the authorities in India and Sri Lanka that we are perfectly at liberty to discuss items that affect our constituents, their lives and their families.

I want to focus today on Sri Lanka. We have seen reports from the United Nations that 40,000 innocent women and children were massacred at the end of the conflict. When I raised the matter with the Sri Lankan authorities, I was told that I was wrong and that the Channel 4 programme "Sri Lanka's Killing Field", for which I pay tribute to Channel 4, was also wrong. I have said that there should be an independent international inquiry—if I am wrong, such an inquiry would surely show that the Sri Lankan authorities were innocent and I would apologise—but that has been turned down. There must be justice for all in Sri Lanka—I totally agree with my hon. Friend the Member for Northampton South about that—but that must include justice for the Tamil people, who must receive answers to some important questions.

Robert Halfon (Harlow) (Con): I thank my hon. Friend for his powerful speech and for co-authoring today's motion. Does he recognise that as well as the thousands and thousands of Tamils who were killed by the Sri Lankan regime, 17,000 Tamils are still caged behind barbed wire and another nearly 200,000 in transit camps have been refused permission to return to their homes?

Mr Scott: I agree with my hon. Friend that it surely cannot take two years—it is now some two years since the conflict ended—to decide whether somebody is a terrorist or whether they should stand trial; nor should it take two years for those trials to take place. That certainly should have happened by now. I would add that there are still children in some of the camps who are four or five years old, and I have yet to meet an 18-month-old terrorist.

Gavin Barwell (Croydon Central) (Con): I am grateful to my hon. Friend for giving way and for the passion that he brings to this issue. Does he agree that our constituents have a right to know who was responsible for the deaths of their family members in Sri Lanka and that the record of the Sri Lankan Government to date suggests that they will not get that answer from the Sri Lankan authorities?

Mr Scott: My hon. Friend is perfectly correct: there should be answers to those questions.

Mr Binley: As ever, my hon. Friend is most generous in giving way. I have visited the Puttalam camp on the west coast of Sri Lanka, which holds 160,000 Tamils who were driven out from the north mainly through fear of the actions of the Tamil Tigers, and I know that because I talked to those people without any regard to the Sri Lankan authorities and that is what they told me. Does my hon. Friend accept that?

Mr Scott: I obviously accept what my hon. Friend says; equally, however, we saw on our TV screens only

[Mr Scott]

recently that people in Libya said one thing when they were interviewed at first and something quite separate a few weeks later.

Nick de Bois (Enfield North) (Con): My hon. Friend is very generous in giving way. I have listened to the recent exchanges, but does he not agree that the most important thing that should come out of today's debate is the need not to lose sight of justice for all?

Mr Scott: I totally agree and reiterate that there must be justice for all. I would never say that there should not be.

In the short time left to me—that is, in this debate, not beyond that—I would like to raise a number of issues. I have said in the past that, when the conflict ended, a number of babies and children below the age of 12 were not accounted for. I have asked the Sri Lankan high commission to share with me what happened to those babies and young children. To this day I have not received an answer. I will continue to follow that up, but I would also ask the Minister to look into the matter, just as I have asked our high commissioner in Colombo.

We are also getting sad reports of what are called "grease devils". These are men who attack people after applying grease to their bodies so as not to be captured by the authorities. They then run into military camps or police stations, having attacked their victims—normally women—in their homes. I am not casting any aspersions against anyone as to who they might be, but I would like to see the practice stopped and the perpetrators caught. I would also like to ask what has happened to the elderly and disabled people who were left behind at the end of the conflict, on 18 May 2009, because they are still unaccounted for.

I have here a list of various things I could run through, but I shall not do that because of the time. What I want to say, to everyone in the House, is that we have a duty. We have a duty to represent not only our constituents, but those who have no voice, wherever they are in the world. We have a duty to stand up for innocent people, whether they be Tamil or Sinhalese, and to get justice.

Barry Gardiner: Does the hon. Gentleman agree that Amnesty International's country report on Sri Lanka this year will be of equal concern to both the Tamil and Sinhalese communities? The report says that in the immediate aftermath of the elections, the Rajapaksa family,

"which controlled five key ministries and more than 90 state institutions,"

introduced a constitutional amendment in September that

"removed the two-term limit on the presidency".

Mr Scott: Yes, that is a great concern. Again, individual action is needed on all these items.

Today, however, we are here to speak about human rights on the Indian subcontinent. We have to speak about human rights in Sri Lanka; we have to get justice for the Tamil people. If we do not get it, we will all have let those people down. I, for one, will continue to do everything in my power—whoever I upset, whether they be colleagues or not—to continue to try to get that justice for the Tamil people. We have said that we will look at the situation in November to see whether the Sri Lanka Government have failed to take action. It is now mid-September, so it is not long till November. I hope that, for everyone's benefit, the Sri Lanka Government will allow an independent international investigation into what happened. I believe that that is what we must go for. I know that the Minister stands up for the rights of all in this area, so I hope that will happen.

3.56 pm

Ian Austin (Dudley North) (Lab): It is a privilege to follow such a passionate and well-informed speech by the hon. Member for Ilford North (Mr Scott). In common with other Members, I start by congratulating the hon. Member for Wycombe (Steve Baker) on securing this debate. I thank my hon. Friend the Member for North East Derbyshire (Natascha Engel) for making the arrangements to enable it to take place.

As my hon. Friend the Member for Birmingham, Ladywood (Shabana Mahmood) said, there are significant numbers of people of Kashmiri origin across the UK. The vast majority of my constituents from the Indian subcontinent are of Kashmiri origin, so this debate has provoked great interest not just in Ladywood, but in Dudley, too. I want to pay tribute to this community's contribution to life in Dudley—to its economic, social, cultural and political life—since the '60s when people from Kashmir first came to the town. I want to place on the record my thanks and gratitude for their support and friendship and for their wise advice—not just on the issue we are discussing today, but on so many other issues, as well. They believe that the people of both Pakistan and India deserve peace and prosperity and that this ongoing dispute is hindering the progress that can be achieved towards both.

Prosperity and peace in the long term requires a resolution between these two nuclear forces, because the stability of the region as a whole depends on a just solution. Given the amount of bloodshed that has arisen from this issue—bin Laden used the Kashmir issue as one of the reasons for al-Qaeda's attacks on the west—surely the only route to long-lasting peace is through the democratic route. I believe we have to be absolutely clear that the future of Kashmir must be decided by the people of Kashmir, because the only way in which we will see justice for the Kashmiri people is through the right to self-determination, agreed by India in the UN and supported by the UK Government. That is the basic democratic principle—a principle that the west has supported in other countries, and one that we should support in relation to Kashmir.

I would like to see our Government urge India and Pakistan to progress the talks that have recently started again, albeit in a low-level way. Our historic role in the region places on Britain a responsibility to do all it can to help bring about a speedy resolution to the dispute. We should stand ready to assist in the process—by encouraging economic development, by improving education and health care systems, and particularly by supporting peaceful elements in civil society.

I believe that the UK must also take a number of other steps. We condemn terrorist attacks wherever they occur—and quite right, too—but the Indian military

has committed human rights atrocities against Kashmiris since the last India-Pakistan war in 1999, so we should be very clear about condemning those attacks and calling for an immediate stop to human rights violations. Human rights abuses have also been carried out by some terrorist groups against Indian targets. We need to see the enforcement and implementation of United Nations Security Council resolutions and UN monitoring of the situation. Crucially, people in Kashmir have as much of a right to a free press as we take for granted in the UK.

Finally, the Government could exploit much more effectively the expertise and experience in communities such as mine here in the UK, so I invite the Minister to come to Dudley to hear directly from my constituents their views on achieving a peaceful solution based on self-determination for the Kashmiri people.

3.59 pm

Jonathan Lord (Woking) (Con): My constituency has a large Kashmiri community, many of whom worship together at the Shah Jahan mosque, which is the UK's oldest purpose-built mosque. Not all members of the Muslim community in Woking have roots and family in Kashmir, but a significant portion do, some of whom are in the Gallery today. The community is well established and contributes greatly to many areas of life in Woking, including local politics. I am pleased that last year we had our first Muslim mayor, and first Kashmiri mayor, Mohammed Iqbal, who was a wonderful civic ambassador for our town. I welcome the chance to speak in the House about the human rights situation in the subcontinent and especially in Kashmir, and I congratulate my hon. Friend the Member for Wycombe (Steve Baker) on his part in securing the debate.

The Foreign Office reports that human rights abuses continue each year on both sides of the line of control. Last year, violent clashes in Indian-controlled Kashmir saw about 100 civilians killed, and Amnesty's recent report concluded that the state of Jammu and Kashmir is holding hundreds of people each year without charge or trial. Any such human rights abuses should be condemned, no matter what the political or historical background. But when the problem is political and historical, the violence and abuse is likely finally to come to an end in the region only when a diplomatic solution is found.

The region has suffered greatly in the past few years, not just from the ongoing instability, but from the devastating earthquake in 2005 and the floods in 2010. I hope that the next couple of years will see more positive developments and a return to diplomatic talks that will pave the way to security and the right to self-determination.

It should be recognised that the UK not only has strong historic links to the region but plays a major aid role. UK taxpayers' money has repaired 450,000 properties and built 16 new schools and 40 new bridges in Azad Kashmir as part of the earthquake reconstruction and rehabilitation programme. Additional money was raised through the generosity of British citizens, as I witnessed at countless local fundraising events and street stalls hosted and led by our Muslim community in Woking. Further, more than £1 million has been spent by UK taxpayers in the past five years via the conflict pool that goes towards support for human rights, conflict prevention and peace-building efforts. Projects such as educational programmes in schools that are vulnerable to militant influence, and the promotion of civil society exchanges across the line of control, are highly worth while, and I hope that the funding of such programmes will continue.

Everyone knows that progress will be slow and that resolutions to disputes such as that affecting Kashmir will not be found overnight, but every long journey starts with just one step. There is now some sort of dialogue between India and Pakistan about Kashmir. There has been talk of the possibility of a new era of diplomacy; the new Pakistan Foreign Minister's recent visit to India showed signs of progress, with additional agreements about trade over the border. Sustained and composite dialogue, however, is not yet forthcoming. *[Interruption.]* On such an important issue, we could do with less backchat from some Members on the Labour Benches, because everyone in the Chamber deserves to be listened to.

The Government's long-standing position is that it is not the UK's role to be initiating talks or identifying mediators for such talks, and I understand the reasons for that. With the Minister, I spoke back in 1997 to a group of Oldham Kashmiris about this very issue, but I fear that we are not much further on. However, I welcome the Government's recognition of the people of Kashmir's desire for self-determination. The Government must know that the prospect of achieving long-term stability in the region, and an end to the kind of violence and human rights abuse that occurred last year, will take a major step forward only when India and Pakistan return to composite and regular dialogue.

In the quiet, measured yet determined way that our Foreign Office is capable of, I hope that it will do everything appropriate that it can to encourage India and Pakistan themselves to initiate proper dialogue and talks. This country must always stand up for the proud Kashmiri people who have been the real victims for so long—for too long—in this terrible historic dispute.

4.4 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): The civil war in Sri Lanka was one of the region's most dreadful conflicts of recent times. In its last five months alone, 100,000 people were killed, 40,000 of them civilians. War crimes took place. The United Nations found serious violations of international humanitarian law, and the European Commission described

"Unlawful killings perpetrated by soldiers, police and...groups with ties to the Government".

Earlier this year, Channel 4 screened a devastating documentary using video film from victims and perpetrators that proved, according to the UN rapporteur, "definitive war crimes". It showed hospitals and so-called safe zones being targeted for bombing, people executed in cold blood and at point-blank range, and soldiers joking about women who had been sexually assaulted and shot dead as they piled their naked bodies on the backs of lorries. I commend Channel 4, and reporters such as Jonathan Miller, for continuing to investigate the harrowing story.

Even after the war, more than 300,000 Tamils were held in camps, and although most have been released, the International Crisis Group says that they were sent to places that were

"devoid of the most basic amenities."

[Siobhain McDonagh]

Many still live under canvas, and 3,000 are still in "rehabilitation" camps, held without charge and without any access to legal help. Sri Lanka's military continue to control civilian life in Tamil areas, including aid, and routinely steal Tamil property for use by military personnel and their families.

The President of Sri Lanka, a probable war crimes suspect, has taken on enormous powers over the judiciary and policing, limiting the courts' ability to prevent abuses of civil rights. The Elders, an international group, has condemned Sri Lanka for

"persecution, intimidation, assassination and disappearance of government critics, political opponents, journalists and human rights defenders."

Independent overseas reporters are not permitted. As the International Crisis Group says,

"Reconciliation after long periods of conflict never happens quickly. But in Sri Lanka there is a serious risk it may not happen at all."

Sri Lanka's Lessons Learnt and Reconciliation Commission consists of people who supported the Sri Lankan Government's actions during the civil war. The Government say of the LLRC's job that

"what happened in the past must be relegated to history",

although, as the UN stresses,

"not to hold accountable those who committed serious crimes...is a clear violation of Sri Lanka's international obligations and is not a permissible transitional justice option."

Gordon Weiss, the former UN spokesperson in Sri Lanka, has said:

"This is Sri Lanka's Srebrenica moment. In fact, it's a Srebrenica moment for the rest of the world."

I agree. The world must say to other Governments that there is nothing to be gained from taking the Sri Lankan option of brutal repression and war crimes.

The last UK Government, thanks—to be fair—to the leadership of my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown), brought an end to GSP plus, the generalised system of preferences that led to a preferential trading agreement between Europe and Sri Lanka, voted against the International Monetary Fund's $2.5 billion deal with Sri Lanka, and prevented it from hosting a Commonwealth summit. Britain must not lose that lead. Elsewhere, Switzerland and Germany have just forced Sri Lanka to recall a senior diplomat after accusations that he made troops fire on civilians and took part in torture and summary executions. However, another man implicated in similar crimes, Major-General Prasanna Silva, has just been appointed a military attaché to the UK. I call on the Minister to reassure the House that he will not permit Major-General Silva to serve here. I want Britain to prove its place at the head of the international community, and I hope that the Minister can enable it to do so by removing this man's diplomatic privileges.

Britain must take a brave and principled lead—just as we did in Kosovo and, with France, in Libya—and do all that it can to ensure that a full independent international investigation of war crimes takes place. Those of us who believe in justice want the people responsible to be held to account, just as all of us would agree about Colonel Gaddafi, Radovan Karadzic and Charles Taylor. We cannot allow the international community to slip back to the cosy days of 2009, when the UN disgracefully ignored calls for a war crimes investigation, or when the Secretary-General spoke of Sri Lanka's "tremendous efforts". Sri Lanka still wants to host the Commonwealth summit in 2013. We should be clearly saying "No, not until there is a fully independent, UN-led international inquiry." I hope that if one thing comes out of today's debate, it will be that commitment.

4.10 pm

Andrew Griffiths (Burton) (Con): May I join other Members in paying tribute to my hon. Friends the Members for Wycombe (Steve Baker) and for Ilford North (Mr Scott), who helped to secure the debate? I also pay tribute to the previous Member for Wycombe, who did a lot of work on Kashmir. He came to my constituency to speak to my Kashmiri community on a number of occasions, and he continues to help and offer assistance. I also pay tribute to the Backbench Business Committee. In holding this debate, it has sent a clear message to both the Kashmiri and the Tamil and Sri Lankan communities that this Parliament is listening, and that Members are prepared to debate the issues that are of greatest concern to our constituents.

Steve Baker: Does my hon. Friend agree that one of the great things about the Backbench Business Committee is that it chooses issues for debate thoroughly independently of Government policy, as has been shown today?

Andrew Griffiths: I could not agree more. I was initially sceptical about the Backbench Business Committee and what it could achieve, but I only have to look up at the full Public Gallery and consider the number of e-mails and letters I have received over the past few days, to be reminded that the subjects it chooses for discussion are highly relevant to our constituents.

I also want to thank the Minister. In our dealings on the Kashmir issue, he has always been helpful, and his door has always been open. He has also laid at our disposal the help of his officials, who have done a great job in providing us with information and assistance. I am grateful for that.

I speak on this subject as vice-chairman of the all-party groups on both Pakistan and Kashmir, and, most importantly, as an MP who represents more than 4,500 Kashmiri constituents. When I first became the parliamentary candidate for Burton, I went along to the local community centres and mosques to talk to the Kashmiris in my constituency. Although we addressed all the issues that matter to them, such as education and policing, time and again they would return to the burning issue of Kashmir and ask for our help. It was with that experience in mind that I pledged to be the first MP for Burton ever to visit Kashmir.

Anas Sarwar (Glasgow Central) (Lab): I congratulate the hon. Gentleman on his powerful speech. Does he share the Kashmiris' frustration about this dispute being one of the longest in our history? It involves two countries that have nuclear weapons and it has caused three wars to take place, yet the international community does not appear to be taking it seriously enough.

Andrew Griffiths: The hon. Gentleman articulates the views of so many of my constituents. They ask, "Why isn't it on television or in the newspapers? Why is what

is happening in Kashmir not being reported here in Britain, and why is the international community not doing something about it?"

Nic Dakin (Scunthorpe) (Lab): The hon. Gentleman sets out his points very well. Does he agree that today's debate demonstrates that we are listening to the concerns of our constituents, and that we are keen to move the issue forward so that proper progress can be made on it internationally?

Andrew Griffiths: I agree, and I know that the hon. Gentleman does a great deal in this House on these issues. I congratulate him on that.

Barry Gardiner: The hon. Gentleman asked why the world was not doing something about Kashmir. Does he agree that that may have something to do with the Simla agreement, under which Pakistan and India agreed that they would settle the issue bilaterally without outside interference, and in a completely peaceful way?

Andrew Griffiths: I am afraid that I would agree more if we had seen more proactive responses from both Pakistan and India. Having been to the Pakistan-administered side of Kashmir and spoken to many people, I found it frustrating to see that many politicians there are inhibiting the efforts to find a solution.

Mr Virendra Sharma (Ealing, Southall) (Lab): Will the hon. Gentleman give way?

Andrew Griffiths: I will make some progress, if I may, as time is short and I have given way on a number of occasions.

I am reminded very much of what happens in respect of the Falkland Islands: every time there is a general election in Argentina, the issue of the Malvinas is brought up as a way of sabre rattling and winning votes, and a similar thing happens in both Pakistan and India. That is why it is incumbent on the UK to use any influence it has to move the situation forward.

I have been to the Falkland Islands as part of the armed forces parliamentary scheme, and I visited Gibraltar last year on holiday. I have spoken to Gibraltarians and Falkland Islanders, so I know that the thing they have in common is their right to self-determination. They have the right to choose how they are governed and who governs them. That is at the heart of the Kashmir issue: it is about the fact that the people of Kashmir should have a right to self-determination and to choose their own path forward. I have seen the Pakistan-administered side of Kashmir for myself, and it is clear that that area has been devastated, not just because of the earthquake and the flood, but because of the way in which this trouble has held that region back. It is time that the United Kingdom—a Commonwealth country—used its best efforts to move this situation forward.

Mr Rob Wilson (Reading East) (Con): Does my hon. Friend agree that it is not our colonial past that is important in resolving this issue, but our recent experience in trouble spots such as Northern Ireland?

Andrew Griffiths: I do. I also think that this is about our relationship with the area. We have a strong Pakistani diaspora in the UK and we have strong trading ties with India. We have a unique relationship with both those countries, which may allow us to get them around the table and move things forward.

The situation in Kashmir matters for a number of reasons. First, because it is about self-determination and the right of the Kashmiris to choose. Secondly, because the two countries involved have nuclear weapons, so this potential flashpoint could have devastating consequences. Most importantly, it matters because the lives of too many Kashmiris are being devastated, on both sides of the line. I have spoken to too many families where grandparents have never seen their grandchildren or where children have not been able to return to see the grave of their mother or father. It is for those types of people that we have a responsibility to use our best efforts to help to move towards a solution. I know that the Minister has a heartfelt interest in this matter, and I know that, for the sake of all my Kashmiri constituents, he will do his best.

4.17 pm

Fiona Mactaggart (Slough) (Lab): First, may I apologise to the House for the fact that I will not be able to be here for the wind-ups, as I was already committed to chairing a meeting at 6 o'clock? I am grateful to the hon. Members who sponsored the proposal of this debate to the Backbench Business Committee, because we are debating this issue on the fourth international day of democracy, as nominated by the UN and celebrated by Parliaments throughout the world.

This is the right day for us to be debating this subject of human rights in the Indian subcontinent, because human rights are a precursor to democracy; without basic human rights and the full protection of human rights, there is no prospect of genuine democracy. When representatives of regimes that are denying human rights complain, as they do sometimes, that, as a British parliamentarian, I should not be interfering in their internal matters, I am confident that I can reply that there are international standards of democracy and human rights. It is the duty of every democrat, particularly every democratically elected parliamentarian, to uphold those standards throughout the world, without fear or favour. That was put rather more poetically by constituents of mine, some of whom are in the Gallery, who signed a petition stating:

> "Human beings are like parts of a body, created from the same essence. When one part is hurt and in pain, the others cannot remain in peace and be quiet".

I will therefore focus on human rights in Kashmir, although my Sri Lankan constituents, who come from both Sinhala and Tamil communities, are well aware of my passionate commitment to human rights in that country. That was expressed when the former representative of the UK Government to Sri Lanka, Des Browne, came to address a meeting in Slough just 18 months ago.

At the outset, I ought to say that I am a friend of both India and Pakistan, even at times when there are tensions between those two countries. I am also a friend of Kashmir, however, and of its people, who have not enjoyed full democratic and human rights since Britain left behind this bit of unfinished colonial business when we ceded control of India and Pakistan nearly 65 years ago.

[Fiona Mactaggart]

I was at Labour's conference in 1995 when it resolved that Britain was under an obligation to seek a solution of the Kashmir issue. I am proud that Labour Foreign Secretaries from Robin Cook to my right hon. Friend the Member for South Shields (David Miliband) have been willing, as they have worked to develop our relationship with that great democracy and growing economicpower, India, to raise the uncomfortable issue of Kasmir. I am disappointed that the current Government do not feel the same duty, at least when they are in the territory of India. Whatever one's view of the future of the disputed territory of Jammu and Kashmir, therecan be no doubt—

Andrew Griffiths *rose—*

Fiona Mactaggart: I will certainly give way to the hon. Gentleman.

Andrew Griffiths: The hon. Lady makes a party political point about this Government and our commitment to Kashmir. Can she tell us just one thing her Government did to move the issue of Kashmir forward?

Fiona Mactaggart: As I have been saying, for some 65 years, this has been an issue—*[Interruption.]* If my right hon. Friend the Member for Rotherham (Mr MacShane) wants to intervene to question my historical knowledge, he is welcome.

For a long time, this subject has limped forward. British Foreign Secretaries have been prepared to raise the issue in Pakistan and India, even when it has been very unpopular. That is one thing that needs to happen—what we need is not silence about the issue, but a preparedness to stand up for human rights in public even when it is unpopular.

At the moment, it is not possible in Kashmir for journalists to report basic protests such as those that followed the death of a boy who was hit by a police tear gas canister just this June. Only when the press is free to publish reports of protests and when voters feel safe as they walk to the ballot box will there be any chance of resolving this bitter dispute. To that end, I echo the call from the hon. Member for Wycombe (Steve Baker) for the repeal of the Jammu and Kashmir Public Safety Act and of the Armed Forces (Special Powers) Act. If we succeed in making Kashmir a society where human rights are protected, what then? That goes to the heart of the hon. Gentleman's question.

I think Mr Hameed, the gravedigger at the martyrs' graveyard in Indian-administered Kashmir's capital, Srinagar, made the point very powerfully: "The solution to the problem will only be arrived at when India, Pakistan and Kashmiri people meet at the same table. Our kids pelt stones. The security services fire a bullet. What kind of democracy do we live in?" We need to ensure that the people of Kashmir live in a democracy and can determine their future. Until we protect their human rights, the possibility of a democratic resolution to the troubles that have divided that beautiful country for so long is lacking. I think the whole House agrees that democracy is the best way to resolve these issues and the whole House knows that without human rights, democracy cannot exist.

4.23 pm

Jason McCartney (Colne Valley) (Con): I start by paying tribute to my hon. and gallant Friend the Member for Wycombe (Steve Baker), a fellow former Royal Air Force officer. I joined him and many other Members from both sides of the House in helping to secure the debate from the Backbench Business Committee, to which we are very grateful.

I shall focus on Kashmir. I have spoken in Westminster Hall debates on Kashmir and at meetings of the all-party group for Kashmir, but this is the first time I have had the opportunity to speak on human rights in Kashmir in this Chamber, and I am very grateful for it. My constituency in west Yorkshire has thousands of Kashmiris living in Thornton Lodge, Crosland Moor and Lockwood. They raise the situation in their homeland with me weekly, so I am proud to be speaking on their behalf.

I fully understand that international issues are never straightforward, so to try to understand the dynamic of the region I undertook a private visit to Azad Jammu and Kashmir last November. I flew into Islamabad in Pakistan, and after delivering blankets, clothing and tents donated by the good folk of Huddersfield and Colne Valley to some of the flood-hit villages in the area of Nowshera in Pakistan, we crossed the border into AJK. I was based in the vibrant city of Mirpur—a fantastic place, as the hon. Member for Birmingham, Ladywood (Shabana Mahmood) rightly said—on the beautiful Mangla Dam lake. I was honoured to be invited for tea at the homes of families with loved ones who live in my constituency, but their love of tea is not the only close cultural link that the Kashmiris have with the UK. When I was invited to meet the Prime Minister of Azad Jammu and Kashmir, Sardar Attique Khan, in Dadyal, I was welcomed by their military band, complete with bagpipes and kilts.

I saw a beautiful and peaceful Pakistan-administered region of Kashmir, but time and again I have been told of human rights abuses in Indian-controlled Kashmir, some of which we have heard about in this Chamber in the past hour, so I fully appreciate that this is a region where terrorism and security concerns are rife. Of course our own previous Government have been accused of being implicated in activities such as rendition in the wider region. The position is not always black and white.

An hour ago in Central Lobby, I bumped into a Kashmir-based journalist I met over there. As a former journalist, while I was in Kashmir I addressed a group of 50 Kashmiri journalists at the Press Club in Mirpur, and I stressed to them the importance of factual reporting. Wild accusations and the emotionally charged inflating of casualty figures do not help the cause of those campaigning for peace in the region. For example, yesterday I received an e-mail telling me of hundreds of unidentified graves, with the accusation that they contain the bodies of victims of unlawful killings and torture. I have no idea whether that is true; we must be wary of propaganda and deal in facts.

Fiona Mactaggart: Is the hon. Gentleman aware that many Kashmiri journalists simply cannot report facts, because they cannot get press accreditation that will enable them to go into areas where the police are in control?

Jason McCartney: The hon. Lady makes an excellent point. I made that point myself, but journalists must not over-compensate for their inability to go to those areas by wildly inflating reports; they must stick to the facts. As a journalist I was sometimes frustrated by similar situations, which can be very difficult.

Lyn Brown: Mass graves should be investigated. Does the hon. Gentleman agree that if India agreed to a commission, we could see the truth of the claims that are being made and end the torturous anxieties of many people in Kashmir, who are worried that their relatives may be languishing in such places and that they have no rest?

Jason McCartney: The hon. Lady must have had a sneaky peek at my speech because I will come to that in about 20 seconds.

I welcome Amnesty International's report on Kashmir, "A Lawless Law", and want to highlight some of its conclusions, which I fully support. I call for a repeal of the Public Safety Act, which results in the long-term detention of people in cases where there is insufficient evidence for trial. I call on Indian-administered Kashmir to allow peaceful protests and exercise proper crowd control, and to carry out an independent, impartial and comprehensive investigation into all allegations of abuses, including the unmarked graves and allegations of torture. I call on the UK Government to keep Kashmir on their agenda and raise these issues with the Governments of Pakistan and India whenever they meet.

Andrew Griffiths: My hon. Friend makes a powerful and well-informed speech. Does he agree that we must seek as a matter of urgency to improve the lives of Kashmiris by improving cross-border trade between Pakistan and India and into Kashmir and by allowing travel, particularly to enable family and loved ones to visit?

Jason McCartney: My hon. Friend makes a good point. There already have been some cross-border relations on opening up the border for trade. I was impressed by Prime Minister Khan's attitude towards commerce, jobs and green technologies—he talked about wind turbines, which massively impressed me.

Mr Virendra Sharma: Does the hon. Gentleman support and appreciate initiatives taken by the Pakistan and Indian Governments, with meetings at ministerial level, to find a peaceful formula to resolve the issue of Kashmir and related issues?

Jason McCartney: The hon. Gentleman makes a good point. His office is on my corridor, so we will probably bump into each other and talk about this many more times. Yes, we want a peaceful solution and the best way to end war-war is to jaw-jaw and talk about these things, and I hope that the UK Government can be part of that.

Some eagle-eyed Members might have noticed the little green badge that I am wearing—*[Interruption.]* I thank the right hon. Member for Rotherham (Mr MacShane). It was given to me by the Prime Minister of Azad Jammu and Kashmir, and it says, "Kashmir Seeks Attention". Today, Kashmir has our attention, and all hon. Members in the Chamber should be very proud of that.

4.30 pm

Mr Denis MacShane (Rotherham) (Lab): Kashmir is the forgotten tragedy of the contemporary world. No other people has suffered such pain, such loss, such despair, and, worst of all, such a sense that their demands for justice are being ignored by the rest of the world. Here in the House of Commons we need to face up to our failures.

The first failure was the disastrous handling of the end of British imperialism in India. The second was the refusal of both India and Pakistan to abide by UN resolution 47, which stated:

"the final disposition of the State of Jammu and Kashmir will be made in accordance with the will of the people expressed through the democratic method of a free and impartial plebiscite conducted under the auspices of the United Nations."

That resolution was adopted in 1948; 63 years later, it has still not been implemented. The third failure is the refusal of successive British Prime Ministers and Foreign Secretaries of all parties to accept that Britain has an historical duty to work to allow the Kashmiri people to be free of the oppression under which they live.

Kashmir is not a faraway country of which we know nothing. The British Kashmiri community is now nearly 1 million strong and is part of the warp and weft of today's Britain, just as in the past Huguenots, Jews, Poles and Irish people came with their culture, faith, languages and ways of life and became part of our island nation. I think of many dear friends in Rotherham, such as Councillor Jahangir Akhtar, Councillor Shaukat Ali, Councillor Mahroof Hussain, Mrs Parveen Quereshi, and Lord Nazir Ahmed in the other place, as well as friends in Tinsley and Sheffield, who have educated me on the problem of Kashmir.

According to Amnesty International and Human Rights Watch—irreproachable international organisations—as many as 100,000 Kashmiri Muslims have died since the end of the 1980s. That is a far higher death toll of Muslims than all of those killed in middle east conflicts in recent decades. Whereas the middle east conflict gets limitless geopolitical Government and media attention, the much great death toll in Kashmir is ignored. The United Nations Commission on Human Rights reports that 1.5 million refugees have been forced over the years to seek asylum across the border in Pakistan or Azad Kashmir.

In December last year, I wrote to the Foreign Secretary after receiving a report from the International Committee of the Red Cross. Its officials interviewed under private conditions 1,296 people held by India. Among them 498 had suffered torture from electricity; 381 had been suspended from the ceiling; 294 had muscles crushed in their legs by prison personnel sitting on a bar placed across their thighs; 181 had their legs stretched by being "split 180 degrees"; and 302 "sexual" cases were reported involving rape or sexual assault. The ICRC stated:

"The abuse always takes place in the presence of officers"

from India.

Fiona Mactaggart: As a former journalist, would my right hon. Friend like to speculate on why those horrible tortures have failed to reach our media?

Mr MacShane: There is a serious problem in that this is the first debate dedicated to this subject in my 17 years in the House. I very much respect the Under-Secretary of State for Foreign and Commonwealth Affairs, the

[Mr MacShane]

hon. Member for North East Bedfordshire (Alistair Burt), but Ministers have not raised this issue at a sufficiently high level. I hope that the Minister can assure the House that the Foreign Secretary will raise that recent Red Cross report with India at the Commonwealth Heads of Government conference next month.

A few years ago the world was shocked at the death of 8,000 European Muslims in Srebrenica and the sight of 250,000 Kosovan Muslims fleeing from Serb troops. Why has there been silence on 1.5 million Kashmiris being forced out of their homes or up to 100,000 Muslims killed by Indian forces?

Just before he was elected, President Obama made the correct connection, noting that there would be no solution in Afghanistan without change in Pakistan, but he added that Pakistan needed help from India to resolve the Kashmir question. Afghanistan, Pakistan, India—the API triangle that lies at the heart of any future for this vital world region. Sadly, once in office President Obama dropped India, out of his desire to see movement and, as a result, got no movement at all, despite the best efforts of the late Richard Holbrooke. India is part of the problem, as is Pakistan. India must be part of the solution, as must Pakistan. Until the global community faces down India's refusal to accept responsibility for its actions in Kashmir, there will be no peace in the region. It is time to break the silence that grips British Ministers.

Lilian Greenwood: I am sure my right hon. Friend agrees that members of the British Kashmiri community, many of whom are watching from the Gallery and elsewhere, will be delighted that we are having this debate, but it will not be worthwhile if it does not result in action by our Government to try to secure peace in that part of the world.

Mr MacShane: My hon. Friend is right. We do not want a curtain of silence to fall at 6 o'clock, when the Minister sits down at the end of his winding-up speech. This debate must be the beginning, not the end, of Britain finally accepting our responsibilities on behalf of our fellow British citizens for the great wrongs that have been done in Kashmir.

Britain might feel that it has no locus standi on Kashmir—as a former Minister I remember those discussions in the Foreign Office, and on this issue I have only respect for the current Foreign Office team—in which case, let the Government ask the European Union to set up a fact-finding mission to report on human rights abuses in Kashmir. Perhaps we could ask respected world leaders, such as the former US President, Jimmy Carter, or the former Finnish President, Martti Ahtisaari, both Nobel peace prize winners, to mediate between Pakistan and India on Kashmir, while fully respecting the rights of the people of Kashmir, because this question must not be settled above their heads between New Delhi and Islamabad. Senator Mitchell's intervention in Northern Ireland was extremely important in helping to bring peace there. Peace in Kashmir would be a Nobel peace prize worth striving for.

Direct British rule in the Indian subcontinent lasted a mere 89 years, from 1858 to 1947. The denial of the rights of the people of Kashmir has so far lasted 63 years. Britain should do more to help find a solution and tell truth to power in both India and Pakistan.

4.37 pm

James Wharton (Stockton South) (Con): We have already heard much discussion today of the value of human rights. Human rights are indivisible, self-evidently of great value and internationally applicable, as the hon. Member for Slough (Fiona Mactaggart) explained rather more eloquently than I will attempt. Human rights must also be understood in context—the context of where a country has been and where it is trying to go. That does not devalue the human right itself or the right to the individuals there. When we comment on other nations, their actions or the actions of those within them, we must have a full understanding of the historical context and of what has happened there to lead to the situation today. It is against that background that I would like to talk about Sri Lanka.

Sri Lanka has only recently emerged from three decades of horrendous civil war, a civil war that claimed countless thousands of lives, both in the north among the Tamil community and in the south among the Sinhalese majority, with Government Ministers, ordinary people and Ministers and representatives of foreign Government being killed throughout that time of great conflict. The Liberation Tigers of Tamil Eelam, the breakaway group in the north and east of the country, waged a war using terrorist tactics including assassinations, suicide attacks, vehicle bombs, attacks on trains and buses, and even attacks from the air, in order to try to force the Sri Lankan Government to accede to demands for a breakaway state within what they perceived to be the boundaries of their own nation. Years of negotiations on ceasefires and attempts to bring an end to the hostilities failed or made no real progress, with neither side sufficiently trusting the other.

Robert Halfon: My hon. Friend talks about history and human rights, and that is important. Before British colonisation of Sri Lanka the Tamils had their own kingdom in the north. Does he not agree that one of the problems that we face today arises from the effects of colonisation?

James Wharton: I agree that we, as the inheritors of the legacy of the British empire, have a duty to acknowledge our role in many of the problems that were created throughout the world by the way in which the empire ceased to be and by the legacies that we left behind. That is one reason why it is perfectly valid and right for this House to debate these issues today and for us as a nation to do what we can to set others on the right path by applying pressure and giving assistance where we can, so that where there are troubles and problems in the world we can make a small but, I hope, significant contribution to resolving them. In Sri Lanka, that legacy is part of its history, but its more recent history is that terrible civil war, which after years of negotiations had not been brought to an end and was continuing to hold back and drag down a country that has so much potential and could do so much for its own people and on the international stage.

In 2006, the Sri Lankan Government launched a campaign to bring the civil war to an end. It was an effective but ruthless military campaign of the sort

necessary to put down an organisation such as the LTTE using military means. We have heard much discussion of some of the atrocities that are alleged to have been committed during that campaign, but in the context in which it happened we must all understand that the LTTE was one of the worst oppressors of the Tamil people during and before the conflict. That context must be understood and appreciated: the LTTE fought using civilian clothes, used civilians as human shields and had thousands of child soldiers in the field.

Mr Scott: Does my hon. Friend agree that, whatever might have happened during what was a terrible conflict, which nobody can deny, it still does not change the fact that civilians were massacred after the event?

James Wharton: My hon. Friend is of course right, and that is why I started my speech by talking about the value of human rights and their importance objectively, but that does not mean that the context in which we comment on other countries is not important, and that is what I want to discuss in my closing remarks.

That campaign having ended, we must acknowledge where Sri Lanka is and where it is going; where it is today and where it is going tomorrow. It is all too easy to be consistently critical of others who fall short of the standards that we may choose to set for them ourselves, but we should not do so without acknowledging where progress is being made. The end of the campaign has brought great benefits to Sri Lanka. We have seen the eradication of terrorism on the island, and elections are taking place in the north and east, as those areas join what is becoming a mature democracy throughout the rest of Sri Lanka.

Siobhain McDonagh: Does the hon. Gentleman think that democratically elected Governments should be held to a higher standard than any other group or institution in society? Does he think that it is legitimate for a democratically elected Government to drop cluster bombs on hospitals?

James Wharton: No, I do not. The hon. Lady will be unsurprised to hear that I do not believe that it is legitimate for a Government, whether democratically elected or not, to drop cluster bombs on hospitals. As I conclude my comments, however, I shall turn to the issue of reconciliation—what is being done, what must be done, what should be done and what we all would like to be done—in Sri Lanka.

First, I shall comment on some of the positive results of the conclusion to a three-decade-long civil war that claimed so many lives. The right to dissent and to freedom of expression in the north and east is now stronger than it had been for the preceding 30 years. De-mining operations are starting to make real progress in clearing up the hundreds of thousands of landmines and unexploded ordnance that litter the Sri Lankan countryside. The British Government are making a contribution to that work through DFID, the Mines Advisory Group and the HALO Trust, clearing up about 100,000 landmines and unexploded ordnance throughout the country.

The rehabilitation and re-homing of former LTTE combatants and of displaced people is well under way. Some 300,000 were displaced by the conflict, but only about 6,000 are now left in the welfare camps, because they have been given the opportunity, facilitated by the work of the Sri Lankan Government, to go home. The reconciliation and accountability that is such an important part of Sri Lanka moving forward has begun. The LLRC, although it has come in for some criticism today, has not yet given its final recommendations, and we should reserve judgment until it reports. Only recently, the Sri Lankan Government have approved a national action plan for the development of human rights that will, I hope, be implemented over the coming years, so that we are able to judge them on its success.

A lot of progress still needs to be made. We must not be an uncritical friend of Sri Lanka's, but we must be a friend of Sri Lanka and of the Sri Lankan people. I hope that the House will support that.

4.45 pm

Barry Gardiner (Brent North) (Lab): Today a delegation from Conservative Friends of India heads off to the subcontinent. The hon. Member for Wycombe (Steve Baker) has ensured that when they land in Delhi they will walk into a major media storm. The UK Parliament should be very wary of intervening in the dispute over Kashmir.

Members have talked about the UN resolution and the plebiscite, but the resolution had a condition—

Stephen Pound (Ealing North) (Lab): When my right hon. Friend the Member for Rotherham (Mr MacShane) rose on a point of order as a result of a tweet that he had received, I attempted to intervene on him, but so powerful was his flow that I could not. Will my hon. Friend the Member for Brent North (Barry Gardiner) confirm that when a newspaper makes a statement through social media, it does not speak for the Government of the Republic of India, and these are two very separate matters?

Barry Gardiner: My hon. Friend is right, and I am sure that my right hon. Friend knew precisely that when he made his "nearly a point of order", as Mr Deputy Speaker called it.

The UN resolution attached a condition to the holding of the plebiscite—the withdrawal of the Pakistani forces that had invaded that part of Kashmir in 1949 when the maharajah of the state of Jammu and Kashmir had vacillated over whether to become part of India or part of Pakistan. The invasion precipitated the maharajah to jump towards India, with the consequences that we have seen since.

Of course, it is absolutely right that this House should always take a keen interest in the protection of human rights around the world, but hon. Members and members of the public watching this debate must think there is a certain irony in the fact that although the hon. Member for Wycombe sought to raise his concern about human rights issues in India, it is not India but five of India's closest border neighbours, including Pakistan, that the 2011 "Failed States Index" lists among the 50 most failed states in the world.

Steve Baker: I tried to approach this with considerable caution. I am not sorry if the Indian media pick up on this issue, as I would like our constituents' concerns to be given the widest publicity. I paid tribute to India as

[Steve Baker]

the world's largest democracy and a country with institutions based on our own which seek to reinforce the rule of law, and noted that Indian Government institutions have recognised many of these human rights abuses. I put it to the hon. Gentleman that, on the whole, the House has sought to be balanced.

Barry Gardiner: I accept the spirit in which the hon. Gentleman says that he has contributed to the debate, and I would not wish to challenge that. However, if one looks at the immediate neighbours surrounding India, one will often find that there is far greater cause for concern in those jurisdictions than in India.

Fiona Mactaggart *rose—*

Shabana Mahmood: Will my hon. Friend give way?

Barry Gardiner: No, I will not.

Some of the worst human rights abuses of recent memory have occurred in Pakistan, Sri Lanka and Myanmar, in a part of the world where, frankly, India stands out as a beacon of democracy on the subcontinent. The relations between India and the UK, at both a trade and a strategic level, are excellent. They reached new levels of cordiality after Tony Blair's visit in 2005, when the two Prime Ministers signed the New Delhi declaration, and they have been further strengthened by the current Prime Minister's visit last year. Economically and culturally, as well as strategically, it would be a retrograde step should a debate such as this sour those excellent relations.

I first visited Kashmir in 2000, when I took a delegation of MPs on a fact-finding visit. We visited at a particularly important time: two years previously, both India and Pakistan had declared themselves nuclear weapon states. Pakistan had announced that it would adopt a doctrine of first use in certain circumstances. India had stated to the international community that it would never use nuclear weapons first. It was a time of great tension.

In 1999, Atal Bihari Vajpayee travelled to Pakistan to meet Nawaz Sharíf. It had been hoped that that might reduce the tension between the two states and all seemed well. Three months later, however, Pakistan-based militants invaded across the border at Kargil on the line of control into India. A bloody border conflict started in what became known as the phoney war. That invasion directly violated the Simla agreement of 1972, in which both nations agreed to resolve the issue of Kashmir by exclusively peaceful means.

President Clinton summoned Nawaz Sharif to the White House and persuaded him to withdraw Pakistani forces from Kargil. The confrontation de-escalated until Nawaz Sharif was overthrown by General Musharraf, who had been the key architect of the Kargil incursion. In 2000, Musharraf proclaimed himself the new President of Pakistan, without the benefit of a general election. In the following months, India was subjected to some of the most vile and well-orchestrated state-sponsored terrorist attacks ever seen, including the hijacking of an Air India flight, the attack on the temple at Gandhinagar and, of course, the attack on the Indian Parliament.

Despite the constant threat to India's citizens from hostile parties at home and abroad claiming thousands of lives every year, India has continued to stand for tolerance and human rights in that part of the world. Terrorist groups such as Lashkar-e-Taiba and Jaish-e-Mohammed have continued to bombard India with state-sponsored terrorism supported by Inter-Services Intelligence.

It is against that background that we must consider today's Amnesty International report. The report documents detentions under the Jammu and Kashmir Public Safety Act and makes some specific allegations. It is right that this House should consider them, albeit in the context of public safety that I have outlined. The report relates to more than 600 individuals detained under the Public Safety Act between 2003 and May 2010 when the research was conducted. That is fewer than 90 people each year for seven years. Amnesty states:

> "The research shows that instead of using the institutions, procedures and human rights safeguards of ordinary criminal justice, the authorities are using the PSA to secure the long-term detention of political activists, suspected members or supporters of armed groups and a range of other individuals against whom there is insufficient evidence for a trial or conviction".

That sounds remarkably similar, as the hon. Member for Wycombe admitted, to this country's Prevention of Terrorism Act 2005. On 14 July last year, he voted to keep detention at 28 days and I think I voted to bring it down to 14 days.

At this year's Reith lectures, Eliza Manningham-Buller, the former head of MI5, talking about security, said that

> "not all intelligence can be turned into evidence. It can fall well short. As I have said before, of evidential standards, hearsay at third hand, things said, things overheard, things seen and open to varying interpretation, rarely clear-cut even with the benefit of hindsight...and which any judge would unhesitatingly kick out even if the prosecution thought them useable. That requires us to accept that not everyone who presents a threat can be prosecuted."

It is in that light that we need to consider these allegations.

4.53 pm

Mr Brian Binley (Northampton South) (Con): May I first declare that I have an interest? I am the secretary of the all-party parliamentary group on Sri Lanka and I visited that country with the hon. Member for Edmonton (Mr Love) at the behest of the Sri Lankan Government to review the reparations resulting from the tsunami.

Sri Lanka is a country that is coming to terms with the consequences of considerable strife and conflict. It takes time to overcome the horrors of conflict. We should therefore tread carefully and be cautious of making judgments without very clear facts and evidence. We should be especially careful not to give fuel to the most blatant of propaganda, not least because we experienced that in a part of our nation and should understand a little more.

Mr Scott: Does my hon. Friend believe that the Channel 4 programme and the UN report were both propaganda?

Mr Binley: I think that the Channel 4 programme is open to question and that those questions have not been answered. However, the United Nations report is credible and we should be cognisant of that fact. The British Government have also recognised that, and it is right to call for an independent, thorough and credible investigation into the allegations of violations of human rights laws. I totally support such

an investigation, but it should be into the violations on both sides of the conflict. I fear that point has been missed a little today.

The roots of the conflict run very deep. The Liberation Tigers of Tamil Eelam fought a separatist campaign for the best part of 30 years and we have heard some of the horrors of that campaign from my hon. Friend the Member for Ilford North (Mr Scott). The Channel 4 documentary painted a truly horrendous picture, but we are not sure that it told the whole story. Images were brutal, horrific and degrading and if they were true that was totally unacceptable and intolerable, but nothing in the broadcast showed direct evidence of the Sri Lankan Government's culpability and we must be sure of that before we start talking about it.

Mr Scott *rose—*

Mr Binley: Before my hon. Friend leaps to his feet, let me say that I think he has seen too many television documentaries to believe everything that he sees on our television programmes.

Mr Scott: My hon. Friend is being most generous in giving way again. If he agrees that there should be an independent inquiry, as he has said, does he agree that the Sri Lankan Government should agree to such an inquiry? Obviously, it would show them to be innocent if they are.

Mr Binley: I agree with my hon. Friend and I press the Sri Lankan Government to do so.

Contrary to what the broadcast stated, every effort was made by the Sri Lankan Government to extract civilians from the combat zone during the conflict. Local journalists were given access to the front line and members of the Sri Lankan armed forces sacrificed their lives to save about 300,000 civilians trapped by Tamil Tigers. Those are not my words but those of Gordon Weiss, the former UN spokesman in Sri Lanka, who has written:

"It remains a credit to many of the front line SLA (Sri Lanka Army) soldiers that, despite odd cruel exceptions, they so often seem to have made the effort to draw civilians out from the morass of fighting ahead of them in an attempt to save lives"—

that from a hostile witness against Sri Lanka.

Robert Halfon: On many issues, my hon. Friend and I are at one, but on this one I think we take a very different view. He has quoted one United Nations individual, so may I quote the former President of Finland who is an international mediator? He has said:

"Countries operating outside international norms watch each other carefully. They will be taking courage from Sri Lanka's apparent success at avoiding international reproach. This is a worry for all those who want to see more democracy, greater respect for human rights and less violence in the world."

Mr Binley: Of course, I accept that statement from my hon. Friend with no problem whatever.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): I am grateful to the hon. Gentleman, who is being customarily generous in giving way, but I join some of his hon. Friends and many Opposition Members who share concerns about the way in which Sri Lanka has conducted itself, particularly since the end of the conflict. It is a matter of record as, surely, he will be generous enough to recognise, that the International Committee of the Red Cross was for far too long denied access to prisons in Sri Lanka, which held many of those whom the Sri Lankan Government had chosen to detain.

Mr Binley: I share the hon. Gentleman's concerns and I have made those concerns known to the Sri Lankan Government.

Sri Lanka needs a chance to heal, but that will not happen in an atmosphere of hiatus and emotive external interventions. We must all be careful because, as has been said, we share responsibility for the situation. That is clear, and we have to do all we can to help the Sri Lankan Government, who are trying to make considerable advances. They are trying to address the alleged crimes and human rights abuses and they are trying to provide a credible process for overcoming the issues facing internally displaced people. They are trying to achieve a sustainable political settlement, including on devolution, and those casting aspersions need to be careful about the statements that they make of what they say are facts but often are not.

As stated, one consequence of the conflict has been the significant numbers of internally displaced persons. I said that I had visited Puttalam, where I saw 160,000 people in the most terrible conditions, and that I talked to many of them. They said that they were displaced by shelling and demolition. Equally, though, some had been displaced by, and were scared of, the Tamil Tigers. That needs to be understood as well, if we are to be balanced in our judgment.

Mr Scott *rose—*

Mr Binley: I cannot afford the time.

The process of reconstruction is taking longer than we would like, but Sri Lanka is a small country and we need to recognise that its resources are limited too. I believe that we should give Sri Lanka every opportunity and support to help them create a united country. I hope that that succeeds, as we must all do, but equally I hope that the independent inquiry will take place, because it will put to rest some of the propaganda that is actually hindering progress in that nation.

5.1 pm

John McDonnell (Hayes and Harlington) (Lab): I want to mention two issues that have been raised with me by constituents. The first concerns India and the second Sri Lanka. Like my hon. Friend the Member for Brent North (Barry Gardiner), I classify myself as a friend of India. I can do nothing else—I am married to a Goan and have only just come back from visiting my in-laws in Goa. I celebrate India's success in recent years. I celebrate its politics. I witnessed the Anna Hazare campaign of Gandhian peaceful direct action to address corrupt politicians. I only wish that we had had such a thing here a few years ago—it might have helped when the Members' expenses scandal was exposed. I also celebrate the nature of the way in which India is developing its economy. I wish that there was greater redistribution of wealth, but at least there is a dynamism in the economy itself.

In celebrating India's progress, I feel that I have the right—as a friend of India—to draw attention to a continuing blemish on the Indian constitution. I am talking about the continued acceptance of the death penalty. There are currently 324 prisoners on death row

[John McDonnell]

in India, and although there has not been an execution for seven years, the political climate has changed, and there is a real fear of an imminent implementation of the death penalty. I want to use the Floor of the House to make an appeal on behalf of my constituents for the life of one person in particular, Devinder Pal Singh Bhullar, whose case I have raised over the years with a number of colleagues. Unfortunately, he is at imminent risk of execution in New Delhi.

Fiona Mactaggart: Would my hon. Friend comment on the fact that when I was looking through my annual report, I discovered that the issue on which I had the biggest postbag from my constituents was Devinder Pal Singh Bhullar's threatened execution by the Indian Government?

John McDonnell: There is real consternation among the community in this country and across the world. This case has been taken up by Amnesty International as one of its urgent appeals across the world. As I said, I want to use this platform to appeal to the Indian Government and the Indian President to address the case of Devinder Pal Singh Bhullar and to consider the abolition of the death penalty itself.

Devinder's mercy petition was rejected in May and his case is now moving towards the execution process. He was sentenced to death in August 2001 after being found guilty of involvement in a bomb attack in 1993 that tragically killed nine people. He was found guilty solely on the basis of an unsubstantiated confession that he made to the police and which he later retracted. He thought that it had been made under duress from the police. He was subsequently arrested under the Terrorist and Disruptive Activities (Prevention) Act at New Delhi airport in January 1995. That Act has now been repealed and was criticised internationally and inside India for being incompatible with international standards for fair trials and fair arrests.

In March 2002, the death sentence against Devinder was upheld by the Supreme Court, but the opinion was divided, with two judges in favour and the senior judge coming down in favour of acquittal. In December 2002, a review was made of the judges' decision, again resulting in a split decision. Usually, in such circumstances, a recommendation is made that the President accept the mercy petition, but unfortunately the petition was rejected in May this year, as I have said. Now, Devinder Pal Singh Bhullar faces the death penalty.

Mr Virendra Sharma: I thank my hon. Friend for giving way. I must declare an interest, in that I was born in India. I am therefore familiar with its constitutional system and traditions. My hon. Friend talked about the changes in the country, but does he also acknowledge that India's main party and the Government have undertaken to reconsider Mr Bhullar's case as a result of pressure from the international community? Does he agree that the Indian authorities responded to that pressure?

John McDonnell: That is exactly right. As a result of the campaign in India and the support that we and Amnesty International are giving it, there could be a breakthrough in this case that could lead to the abolition of the death penalty. There are clear concerns about the fairness of the trial, as well as about the eight-year delay in implementing a decision, which I believe constitutes cruel, degrading and inhuman punishment. As a friend of India—as many of us here are—I therefore appeal to the Indian Government to think again, to allow the mercy petition to go ahead and to allow this person's death sentence to be commuted, but also to consider the issue of the death penalty itself, which I see as a continuing blemish on the Indian constitution and political system.

Barry Gardiner: I was most concerned to hear my hon. Friend say that the only evidence against Devinder Pal Singh Bhullar was the confession that he had made in police custody. The Amnesty report, "A lawless law", describing another case, records that

> "the trial court dismissed two of the three outstanding charges against Sheikh noting that the only evidence against him was a confession made by him while in police custody which was inadmissible in court (in India, confessions made to the police are inadmissible as evidence because of fears that they may be coerced)."

Would my hon. Friend care to comment on that?

John McDonnell: Yes, that is common practice, and it is usually taken into account when considering the mercy petition. That did not happen in this instance, however. There have been four recent cases in which mercy petitions have been rejected by the President. That is a change in practice that we have witnessed over the past seven or eight years, as my hon. Friend the Member for Ealing, Southall (Mr Sharma) suggested. There is a change of political climate on this issue in India at the moment, and I think that it is to the detriment of India. On that basis, pressure needs to be mounted in India and internationally, to address not only this individual case but the whole question of the abolition of the death penalty.

The issue of Sri Lanka and the treatment of the Tamils has also been raised with me. I want to associate myself with the words of my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) in this regard. A key issue is that, although the commission took place and various recommendations were made by the Lessons Learnt and Reconciliation Commission, a number of them have not been implemented. For example, the simple recommendation that a list of names of those in detention should be published still has not been implemented. As a result, a number of my constituents are still anxious to find out what has happened to their families and where they are in detention.

When people are released from detention, despite reassurances that they will be assisted with resettlement, that is not happening in every case. Some are living in very distressing circumstances, but they are getting no assistance. Furthermore, there is a continuing problem of land having been taken over, particularly by the military, and reallocated to the majority community. In that way, members of the Tamil community are being displaced yet again as a result of the Government's actions. I would welcome our own Minister putting pressure on the Sri Lankan Government to address those issues and to get back into negotiations with the Tamil National Alliance, which has withdrawn from the current negotiations because of the Government's intransigence. In that way, we might be able achieve an atmosphere of peace and reconciliation again.

5.9 pm

Mr David Nuttall (Bury North) (Con): Let me start by congratulating my hon. Friends the Members for Wycombe (Steve Baker) and for Ilford North (Mr Scott) on securing this debate. I also want to thank the Backbench Business Committee for allocating some of the precious time at its disposal for this afternoon's debate.

I want to restrict my remarks to the situation in Jammu and Kashmir. Having previously represented Bury North, my hon. Friend the Minister will be aware that thousands of my constituents have a personal concern about the human rights abuses taking place in Jammu and Kashmir. Many have personal knowledge of the problems in that part of the world, while many have families still living there who regularly witness the human rights abuses that are taking place. However, it is not possible in the brief time available to do more than highlight the main points of what we all know is a long-running issue.

The seeds of the current conflict were sown more than half a century ago in 1947, when the partition of India took place. The princely state of Jammu and Kashmir, which had a Hindu ruler but a predominately Muslim population, was divided between Pakistan and India. The people of the state of Kashmir were denied any say in whether they would join Pakistan or India. They wanted what those in so many areas of the world still want today: to determine their future themselves, in a vote of all Kashmiri people. The United Nations passed resolutions to that effect in 1948, but to this day the situation continues. Kashmir remains divided by the line of control, with thousands of troops ranged against each other on both sides of that line.

From time to time over the past 64 years the conflict has flared up and hit the world's headlines. There have been several attempts to negotiate a peaceful settlement, but for the majority of the time the conflict has simmered away beyond the public's gaze and attention. Sadly for the people of Kashmir, the killings and torture continue. The latest figures supplied by the Jammu Kashmir Self-Determination Movement show that there have been more than 93,000 killings since January 1989, resulting in some 22,000 women left widowed and 107,000 children orphaned. I commend the work of the Jammu Kashmir Self-Determination Movement, under its chairman Raja Najabat Hussain, for ensuring that the problems of that troubled territory are not allowed to be completely forgotten.

As we have heard this afternoon, many of the current human rights abuses are taking place under the provisions of the Jammu and Kashmir Public Safety Act of 1978. Sam Zarifi, Amnesty International's Asia-Pacific director, has said of that Act:

> "The Jammu and Kashmir authorities are using PSA detentions as a revolving door to keep people they can't or won't convict through proper legal channels locked up and out of the way. Hundreds of people are being held each year on spurious grounds, with many exposed to higher risk of torture and other forms of ill-treatment."

The Foreign and Commonwealth Office has also expressed concerns about human rights abuses on both sides of the line of control in its human rights report, issued in May this year.

The people of Jammu and Kashmir are long suffering and patient. It seems that there is always another problem in the world that takes precedence over theirs. All they want is to be given the right to determine their future by themselves. Everyone appreciates the huge challenges facing the Foreign Office, particularly in the middle east and Afghanistan. However, I know that my hon. Friend the Minister will use every opportunity to advance the cause of peace in the troubled region of Jammu and Kashmir. We are fortunate to have a Minister who understands the issue, has tremendous knowledge of it and has a general personal interest in the plight of the Kashmiri people. I know that he will do all he can to ensure that one of the longest-running conflicts in the world is resolved.

5.14 pm

Kelvin Hopkins (Luton North) (Lab): I am pleased to have the opportunity to speak and I congratulate the hon. Member for Wycombe (Steve Baker) on securing the debate. May I say that I agreed with everything he said in his excellent speech? Given the shortage of time, I shall focus my remarks on the conflict in Kashmir. My primary concern is to press the Government, above all, to use their good offices to the maximum to help bring about a just settlement in Kashmir—one that is acceptable to the people of Kashmir. I say this directly to the Minister—a man representing my local county for whom I genuinely have the greatest affection and respect. I think that he will listen to today's debate and do his very best to move things forward.

Thanks to the many thousands of my constituents from Kashmir, many of whom are close personal friends—some are here today, listening to our debate with great interest—I have long been familiar with the terrible sufferings of the people of Kashmir. Time and again, the appalling things happening in Kashmir have been brought to my attention. One hon. Member spoke of possibly exaggerated figures, while others have mentioned figures that, even if only half true, would be appalling. My suspicion is that the figures are accurate and that the reality might even be rather worse than has been said.

Some 15 years ago, I had the opportunity to visit Azad Kashmir—Pakistan Kashmir. By way of Mirpur and Kotli, I visited a refugee camp. I saw how some people had suffered in Indian Kashmir: they had escaped, but having been displaced from their homes, they were still living in refugee camps. While I was a member of the all-party group on Kashmir, I visited the Foreign Office with other colleagues to press the previous Government to do all they could, first, to stop the human rights abuses and, secondly, to try to bring about movement towards a peaceful and just settlement. I say peaceful and just because a peaceful settlement is not enough; it has to be just as well. It is possible to have a peace that is a peace only because of force majeure, which would not be right. The peace must be acceptable to the people of Kashmir.

It has been said many times by many colleagues that Britain has a special responsibility in this part of the world. It was once part of the British empire; we ruled and governed that part of the world for centuries. When we left, partition took place and a lot of blood was shed. Mistakes were made, and this might be one of the most serious of those mistakes, which lingers on as a legacy of empire in a strange way.

Steve Baker: As so often, I am surprised at the degree to which I agree with the hon. Gentleman. Does he agree, however, that one of the problems of the legacy of empire is that, although it gives us a special responsibility, it is also in many ways a curse because that very legacy is often what makes our word so very unwelcome in various countries, including in India?

Kelvin Hopkins: Indeed. I am short of time, but I hope to come on to the point that Robin Cook said when he was Foreign Secretary that he wanted to embark on a process of ethical foreign policy.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Does my hon. Friend agree that, although we must do everything we can to condemn human rights violations on either side of the line of control, we must also look to whatever means we can to ensure that we support self-determination and a lasting resolution for the people of Kashmir?

Kelvin Hopkins: I entirely agree with my hon. Friend and thank her for her intervention. Wherever suffering occurs, we must always support human rights; we have a record in doing so. More than one of my hon. Friends has mentioned that India is a great democracy. Indeed it is, but great democracies can also commit sins and have blood on their hands. In Britain, we consider ourselves to be a great democracy, but recent revelations about the Hola camp and what we did in Kenya, as well as about what we did to certain prisoners in Iraq suggest that even a democracy like ours can have blood on its hands. We must not excuse terrible things just because a country is a democracy.

Shabana Mahmood: Does my hon. Friend agree that no democracy—whether it be the world's largest or not—should be afraid of a debate, either in the House, like today's debate, or anywhere else, if that debate helps to shed some light on what is going on in another part of the world?

Kelvin Hopkins: I entirely agree with my hon. Friend.

I was about to make an important point about Robin Cook's reference to an ethical foreign policy. It did not make him popular with America, but Robin Cook stood by his position and resigned over the Iraq war. That contrasts with what I believe Palmerston once said, and here I paraphrase—that in politics, there are no such things as rights and wrongs, only interests. We must raise ethics above interests sometimes in politics, as I am sure all Members do. In time, I hope that we will ensure that Pakistan and India come to a moral and ethical solution, allowing Kashmir and the Kashmiri people to determine their own future.

5.20 pm

Robert Halfon (Harlow) (Con): This is a hugely important debate. As we hope that the Arab spring heralds a new dawn, we must be clear that freedom is a right for people in other continents too. I want to focus on the regime that calls itself the Democratic Socialist Republic of Sri Lanka, because I believe it is neither democratic nor—I am sure that Labour Members would agree—socialist.

The relatively normal relations Sri Lanka enjoys with the west, with little condemnation of its thin democratic credentials or genocide of Tamil civilians, have always mystified me. It is worth looking at the evidence. If we judge a democracy by its rule of law, property rights and religious tolerance, the Sri Lankan Government fails on all three. First, the Sri Lankan military is above the rule of law. As Members have said, 17,000 Tamils are still caged in barbaric camps. We still hear reports of Tamil civilians being summarily executed or disappearing, and that follows the genocide of 40,000 Tamils in the past decade. Secondly, property rights do not exist. Large areas of Tamil land and housing are still occupied by the Sri Lankan military.

Mr Scott: My hon. Friend may have seen the document from the Sri Lankan Government saying to their army that it is perfectly acceptable to take Tamil property. Does he agree that that is a disgrace?

Robert Halfon: My hon. Friend is exactly right. The evidence that he has seen shows, as I am pointing out, that Sri Lanka is not a proper democracy.

Thirdly, there is no tolerance of minorities. An estimated 180,000 Tamils are still displaced, either in transit camps or sheltering, and the names of prisoners have still not been published, so families cannot find out if their relatives are alive.

There is a saying that one judges a man by the friends he keeps. In the same way, one can judge a Government by the allies they keep. In the past decade, Sri Lanka's key allies have been Iran, North Korea and Colonel Gaddafi. Colonel Gaddafi gave Sri Lanka £500 million in financial assistance for so-called development projects. In return, Sri Lanka strongly opposed the no-fly zone in Libya and offered him sanctuary. Even after Gaddafi was threatening Benghazi, Sri Lanka organised mass rallies in his support, protesting against NATO intervention. We all know the story of North Korea, yet Sri Lanka was happy to sign a major weapons contract with it in 2009. We also know the story about Iran, yet Sri Lanka signed business and oil contracts with that country in defiance of international sanctions. Despite that, Sri Lanka continues to be a member of the Commonwealth and the United Nations.

Mr Virendra Sharma: In the light of all the reports, television coverage and films shown on Channel 4, and the international condemnation, does the hon. Gentleman agree that this is the right time to demand that the Sri Lanka Government be expelled from the Commonwealth until they accept the international court?

Robert Halfon: The hon. Gentleman is exactly right. As I will say in my concluding remarks, we should also boycott the Commonwealth leaders summit in Sri Lanka in 2013.

As has been highlighted, the genocide of 40,000 Tamils has brought the civil war death toll to 70,000. We must make a distinction between murder and genocide—genocide is scientific, organised killing. Having taught the Sinhalese to hate the Tamil minority, the Sri Lankan Government used the Tamil Tigers, who are opposed by moderate Tamils, and whose systematic

killing of civilians we all condemn, as the excuse for a litany of horrific events and actions. Let us take a couple of examples.

In 2008, according to Human Rights Watch, the Sri Lankans used rockets to obliterate entire refugee camps full of women and children. In 2009, the Sri Lankan Government's tactics evolved again. They declared a 35 sq km "safe zone" for Tamil civilians, and dropped leaflets appealing to civilians to move into the safe zone as soon as possible. Immediately after several thousand people had gathered there, near a United Nations food distribution plant, the Sri Lankan military shelled the area heavily, killing thousands of people in a few hours.

The United Kingdom has financial leverage. We have millions of pounds' worth of business and tourism with Sri Lanka. Sri Lanka needs the west. But we have seen what happened in "The Killing Fields", and we must press for a UN resolution and tough economic sanctions to pressurise the Sri Lankan Government to change their ways. As I said a moment ago, we must boycott the leaders' summit in Sri Lanka in 2013. I welcome the Canadian Prime Minister's call for a boycott, because symbolism is incredibly important in politics.

There are very few Tamils in my constituency, so many people may ask why I am here today, but I believe that because of my background, it is my duty to try to support nations that have suffered from genocide. That is why I have been involved in Rwanda and have been there, why I have been very involved in the Kurdistan region of Iraq, and why I am supporting the Tamils.

Mr Scott: Will my hon. Friend give way?

Robert Halfon: I will not, because there is very little time. I hope that my hon. Friend will forgive me.

We must be clear about the fact that Sri Lanka is a rogue nation. It has carried out genocide against the Tamil people, and we must do all that we can to stop the persecution of the Tamils once and for all.

5.26 pm

Jeremy Corbyn (Islington North) (Lab): I commend the Backbench Business Committee for choosing this topic for debate. I am delighted that we have discussed mainly Kashmir and Sri Lanka. I do not want to detract from what anyone said about those subjects, and I agree with the thrust of the arguments that have been presented. I want to raise a rather different issue.

There are 260 million people worldwide who suffer from massive human rights abuses. Such abuses have continued for centuries, indeed millennia, often unacknowledged and unchallenged. It was only with great difficulty that the issue of caste discrimination, or discrimination based on caste and descent, was raised at the Durban millennium summit, but it massively affects the people of south Asia, particularly India.

I am the chair of the trustees of the Dalit Solidarity Network, and also an officer of the all-party parliamentary group for Dalits. The hierarchical division of a society, ascribing inherent privileges to birth, runs contrary to the United Nations' universal declaration of human rights, article 1 of which states:

"All human beings are... free and equal in dignity and rights."

The caste discrimination system divides people on the basis of their background, parents and work, and results in the greatest degree of poverty and discrimination in the case of India. The sadness is that the Indian constitution specifically outlaws caste discrimination, and, moreover, was written by the great Dr Ambedkar, who was himself a Dalit person. He tried to prevent the discrimination, and indeed every law in India prevents it from taking place, but it does still take place. Dalits represent one third of the world's poor. Caste discrimination affects jobs, education, medical care and international aid, and also results in the violent subjugation of communities. Dalits have little access to public health or sanitation facilities.

According to official Indian statistics, 13 Dalits are murdered every week, five Dalit homes or possessions are burnt every week, three Dalit women are raped every day, and a crime is committed against a Dalit person every 18 minutes. Dalits, who were formerly known as "untouchables", are forced to do the most disgusting, dirty, dangerous, menial jobs, such as carrying human waste around in wicker baskets on their heads, picking up human faeces from the streets and railway lines, and cleaning out sewers—all the dirty jobs that no one else wants to do. When we walk around the glittering town centres of modern India, beneath them the most vile discrimination is taking place against the very poorest people, and the chances of those people's children escaping from the system are very low indeed. They are discriminated against because of their background and their place within the identifiable Hindu caste system.

It is right to raise this issue in Parliament, and we must encourage the British Government to ensure that their aid system recognises this discrimination and the need to address it. At present there are protected jobs in the public sector for Dalit peoples, but that does not extend to the private sector, and this arrangement has only served to fossilise the levels of unemployment in the Dalit communities. The Department for International Development has recognised this discrimination and, so far as I am aware, ensures that no aid projects perpetuate it.

I want to draw the House's attention to six key issues. The first two are that a significant proportion of Dalit women face verbal abuse, physical assault, sexual harassment and assault, domestic violence and rape, and that bonded labour is normal, even among Dalit children. The remaining issues are that there is forced prostitution, manual scavenging, limited political participation and non-implementation of relevant legislation.

Our job is to speak up for the UN declaration of human rights and to draw attention to this disgraceful discrimination against so many people.

5.31 pm

Bob Blackman (Harrow East) (Con): Millions of British citizens have a family origin from the Indian subcontinent, so it is right for this mother of Parliaments to debate not only human rights there, but security on the Indian subcontinent as well. First, I should add my thanks to my hon. Friends the Members for Wycombe (Steve Baker) and for Ilford North (Mr Scott) for securing the debate, and to the Backbench Business Committee for allowing it to take place in the Chamber. It is, however, unfortunate that we are bracketing the bloody civil war that took place in Sri Lanka with the situation in Jammu and Kashmir. Now that the civil war has ended, there must be reconciliation, peace and an inquiry into what happened in Sri Lanka.

[Bob Blackman]

I want to focus on Jammu and Kashmir. Having grown up with Indians over many years, I have debated and talked about this issue for some 25 to 30 years. We must recognise that India is the greatest democracy in the world, with 1 billion people having the opportunity to vote. It is often forgotten that there are more Muslims in India than in the whole of Pakistan and Bangladesh combined; it is a truly secular state, which offers equal opportunity to people of all religions. It has also been the subject of many terrorist atrocities, most of which, it is claimed, emanate from the state of Pakistan. Naturally therefore, the Indian Government are concerned about whether Pakistan can be trusted.

The seeds of this mistrust lie in the history of Jammu and Kashmir. We cannot forget the origin of the conflict in Jammu and Kashmir. As other Members have said, it was this House that made the decision to allow India and Pakistan to secede and set up their own states. Jammu and Kashmir had the opportunity of joining either India or Pakistan. While it deliberated, Pakistan invaded. There is an illegally occupied area of Kashmir, therefore: the area that is Pakistani-controlled. The area that is administered by India represents what was wanted by the people of Jammu and Kashmir at the time of secession. All the atrocities that have taken place on both sides of the dividing line should be investigated, and both sides should be held to account.

Let us compare the two states in their current forms, however. In Indian-administered Jammu and Kashmir, all political parties can debate and stand for elections. In fact, there was an 85% turnout for this year's local elections in Jammu and Kashmir. All Members of this House would like to see such a turnout for a general election, let alone a local election. By contrast, in Pakistani-administered Kashmir political parties are allowed to form and agitate only provided they accept Pakistan's right to rule Kashmir—that is not even-handed in any extreme. We must seek to even out the position and make sure that people understand that the current position is not even. We have heard far too often this afternoon about the position in Indian-administered Jammu and Kashmir, and not enough about Pakistani-occupied Kashmir. We need to make sure that we have an even balance and that the people who are here get the opportunity to air their grievances.

5.35 pm

Chris Leslie (Nottingham East) (Lab/Co-op): I am delighted that this House is having the opportunity to debate the full array of issues in the short time available, and I know that we have to hear at least one other speech by a Back Bencher before the wind-ups. It is important that I have the opportunity to speak on behalf of my constituents who are here to press their strongly held belief that there is a need for greater exposure of the human rights issues, particularly in Indian-administered Kashmir, and for greater attention to be paid to them. I accept that there are all sorts of issues between Pakistan and India, and I am not going to try to take too many sides on these things. However, I have to say to the hon. Member for Harrow East (Bob Blackman) that it is predominantly in the Indian-administered side of Kashmir that the more severe human rights issues—about detentions, curfews and disappearances, and about many of the other aspects highlighted in Amnesty International's "A 'lawless law': Detentions under the Jammu and Kashmir Public Safety Act" report, and by the Red Cross and others—arise time and again.

I greatly respect the Minister on these issues. I have been to see him in his office to discuss this matter, and I know that he listens carefully. He has to take a very balanced view on these questions, but I know that he would agree that it is important that the British Government try their best to raise the issue more vociferously and more passionately with Pakistan, but especially with India. What I find most distressing are the reports of this persistent abuse of the Public Safety Act on the Indian side of the Kashmir border, and the Armed Forces (Special Powers) Act 1958, which is still in force in the region, and causes so many difficulties and human rights abuses. It is important that we see not only a dialling down of the tensions at the line of control, but a demilitarisation in the Kashmir region. Although the Indian Government have made some efforts, through the high-level committee and in other attempts to amend some of these awful pieces of draconian legislation, the process has been very slow and not strong enough. I therefore urge the Minister to raise these issues more vociferously and to consider the role of the European Commission and whether we can get these issues raised on an international stage. This issue is very important and I hope that he will listen to the very many voices that have been raised.

5.37 pm

Yasmin Qureshi (Bolton South East) (Lab): I have only two minutes left, so I am going to speak very fast. I wish to refer to an article written by Dr Angana Chatterji, the associate professor of social and cultural anthropology at the California Institute of Integral Studies. Along with her cameraman and a number of other people, she went to Jammu and occupied Kashmir. Her article states:

> "Dirt, rubble, thick grass, hillside and flatland, crowded with graves. Signifiers of military and paramilitary terror, masked from the world. Constructed by institutions of state to conceal massacre. Placed next to homes, fields, schools, an army practice range. Unknown, unmarked. Over 940 graves in a segment of Baramulla district alone. Some containing more than one cadaver. Dug by locals, coerced by the police, on village land. Bodies dragged through the night, some tortured, burnt, desecrated. Circulating mythology claims these graves uniformly house 'foreign militants'. Exhumation and identification have not occurred in most cases. When undertaken"—

Mr Deputy Speaker (Mr Nigel Evans): Order. Sadly, we have to start the wind-ups now, and I apologise to the hon. Lady.

5.39 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I join other hon. Members in welcoming this important debate, and congratulate the hon. Members for Wycombe (Steve Baker) and for Ilford North (Mr Scott) on sponsoring it and Members on both sides who have participated in it. In particular, I commend the Backbench Business Committee for providing this opportunity.

In recent meetings with Amnesty International and Human Rights Watch, I have discussed the role of promoting human rights in British foreign policy. There is a very clear message about the need for consistency on human rights and that is central to the debate. The

other theme of the debate is the importance of engaging diaspora communities in our foreign policy. It is very encouraging to see a crowded Gallery on a Thursday afternoon, reflecting the concerns in the Kashmiri and Sri Lankan communities in this country as we debate these important issues.

We approach the subject in a year where we have seen momentous events in north Africa and the middle east. Those events have had at their hearts demands for freedom, democracy and human rights. We as a country have a responsibility to play a positive role both bilaterally and multilaterally in promoting human rights, using, for example, soft power through institutions such as the BBC World Service and the British Council. The British Council operates programmes in the Indian subcontinent, including in Sri Lanka. It is an important tool in our soft power armoury and tonight I want in particular to commend the courage of the personnel of the British Council, who are doing great work to promote human rights across the Indian subcontinent.

Julie Hilling (Bolton West) (Lab): Does my hon. Friend agree that although good things are happening in those countries, the press here is very silent about both Kashmir and Sri Lanka and much more needs to be done not just by politicians but by the media to bring the issue up the world agenda?

Stephen Twigg: My hon. Friend is absolutely right.

A number of hon. Members referred to the Channel 4 film, "Sri Lanka's Killing Fields", which was broadcast in June, bringing images of atrocities committed against civilians in Sri Lanka in the concluding months of the decades-long war. The footage was truly appalling and the 25-year conflict has left Sri Lanka scarred. The military conclusion of active hostilities between the Government and the LTTE was reached in 2009, but only after mass atrocities and alleged war crimes by both sides. This leaves Sri Lanka with dual tests of accountability and reconciliation. Civilians, be they Tamil, Sinhalese or Muslim, have paid the heaviest price. For them, justice must be realised.

Beyond the sphere of domestic Sri Lankan politics, the international community has a responsibility to secure justice. My right hon. Friend the Member for South Shields (David Miliband), the former Foreign Secretary, visited Sri Lanka during the closing period of the war in 2009 to bear witness to the chaos and suffering that had been inflicted on civilians. Assessments made at that time of wrongdoing by people on both sides of the conflict have since been verified and Government forces are alleged to have been responsible for deaths by shelling the so-called safe zones, as described by a number of hon. Members. The LTTE belligerents had forced internally displaced persons to act as human shields, and those seeking to escape were simply killed.

Justice must be sought because that is the right thing to do, but it is also right that we should pursue justice as a means of deterrent. Writing recently in *The Times*, Lord Ashdown made a poignant observation:

> "The point about law is that it exists not just to deliver justice after the event but also to govern behaviour beforehand".

Restrictions on journalists in Sri Lanka meant that this was a war without witness. Testimony brought about through the mechanism of accountability will shed light on the dark events that have scarred Sri Lanka's recent history—testimony that reveals the human rights atrocities that were committed in Sri Lanka and testimony that leads to justice.

Although the tactics of the LTTE, an organisation that has rightly been labelled as terrorist by the European Union and the United States, were abhorrent, the legitimate grievances of the Tamil people will not be resolved without a lasting and just political settlement. Can the Minister share with the House any recent discussions the Government have had with the Sri Lankan Government on their plans for reaching a political settlement and devolving power? Has the Minister made any representations about the number of people still being held in so-called rehabilitation centres? Is he satisfied that there is sufficient media freedom in Sri Lanka?

My hon. Friend the Member for Hayes and Harlington (John McDonnell) raised the very important issue of the death penalty and the case of Devinder Pal Singh Bhullar, which he has championed for many years. I echo what he said both about Mr Bhullar's case and more broadly on the question of the death penalty. As a fellow friend of India, I press it to abolish the death penalty. Of course, as we are having a debate on south Asia, we should similarly press Pakistan to abolish its death penalty; there are 8,000 people on death row in Pakistan today.

My hon. Friend the Member for Dudley North (Ian Austin) made the point that we have had a very big contribution to our country from the Kashmiri community that lives here. We saw that reflected in the powerful and passionate speech of my hon. Friend the Member for Birmingham, Ladywood (Shabana Mahmood). Hon. Members in all parts of the House have reflected the concerns of their constituents.

In government we sought to urge both India and Pakistan to bring about a lasting resolution to the issue of Kashmir that takes into account the wishes of the people of Kashmir. I welcome some of the developments that have been referred to: the visit of the Pakistani Foreign Minister to India, improvements in cross-border trade, and talks between India and Pakistan. Will the Minister update the House on recent discussions with counterparts on the formation of a lasting political settlement that takes into account the wishes of the people of Kashmir?

A number of human rights organisations, including Amnesty International, have voiced very serious concerns about the human rights situation in both parts of Kashmir. For example, the limits to media freedom in Indian-administered Kashmir have been described by a number of hon. Members. Have the Government raised that matter with the Indian Government?

My hon. Friends the Members for West Ham (Lyn Brown) and for Bolton South East (Yasmin Qureshi) highlighted Amnesty's recent and very disturbing report about unmarked graves and the need for an investigation by the Indian authorities. The hon. Member for Harrow East (Bob Blackman) raised the issue of irregularities and a lack of openness in elections in Pakistani-administered Kashmir, and that, too, is an important question which I encourage the Minister to raise with Pakistan in our bilateral relationship. We must continue to work both bilaterally and multilaterally with India and Pakistan, and urge all sides to seek a lasting resolution to the issue of Kashmir, which takes into account the wishes of the Kashmiri people.

[Stephen Twigg]

If I may finish where I started, the Arab spring has reminded us that the thirst for freedom, democracy and human rights is not western but universal. It also reminds us that in many parts of the world there are real concerns about double standards in the policies of the major powers. It is vital that we take a consistent approach to human rights, and the desire for that consistency has been reflected in this debate.

5.48 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): I thank all colleagues for their participation in the debate. I am grateful to the hon. Member for Liverpool, West Derby (Stephen Twigg) for his thanks to the British Council, which does such excellent work for us abroad, and for his reminding us of the increasing importance of the diaspora in British politics and the contribution that they can make, not only to debate here but, in many instances, to reconciliation and support in the communities from which they originally came.

I am grateful to my hon. Friends the Members for Wycombe (Steve Baker) and for Ilford North (Mr Scott) for securing the debate and to the Backbench Business Committee. My hon. Friend the Member for Wycombe spoke in measured tones on a difficult subject, plainly putting to the House the views and anxieties of his constituents. I shall of course deal with Kashmir during the next few minutes. My hon. Friend the Member for Ilford North spoke with passion in support of his Tamil constituents and reminded the House, as did one or two others, why we have such an obligation to speak here, without fear or favour, on the matters that concern us.

My hon. Friend the Member for Colne Valley (Jason McCartney), in describing his colourful arrival in Pakistan and Kashmir, reminded us of how we are seen in many parts of the world—an honour to this House that we respect by the way in which we conduct ourselves here by dealing with difficult subjects in moderation, sometimes in tricky areas.

The hon. Member for Luton North (Kelvin Hopkins) reminded us that, before we get too moralistic and righteous in what we say here about other countries, we should acknowledge our own human rights failings, both past and present. The fact that the House listened with respect to voices that challenged some of the more popular sentiments represented by many who are watching the debate shows that the House can listen to both sides of a complex debate. That should reassure any Government looking at the work of the House of Commons that they should not fear our debates, if transparency, accountability and justice are as close to their hearts as they are to the hearts of parliamentarians here today.

The Government have been clear since they took office that the protection of human rights is crucial to both the values and the interests of the UK. When the Foreign Secretary set out his vision for the future of our foreign policy in a series of speeches last year, he said that those values were part of our national DNA and that they would be woven into our foreign policy decision making. We cannot achieve long-term security and prosperity for the UK unless we uphold them.

Few parts of the world are as important to the promotion of our values and our interests as south Asia. The region's giant, India, is the world's largest democracy— vibrant, pluralistic, secular and multi-ethnic—but it has faced significant problems with domestic insurgency, communal violence and caste discrimination. Some of the toughest human rights challenges in the region are exacerbated by the dispute between India and Pakistan. The latter country, which has only recently come under civilian rule, is facing arguably the greatest existential threat from terrorism of any nation in the world. To the north and south, Nepal and Sri Lanka continue to grapple with the legacies of decades of destructive insurgency. Bangladesh is affected more than almost anywhere else by the pressures of population, poverty and climate change. The smallest country in the region, the Maldives, is the world's newest democracy.

Despite that challenging context the UK does not shy away from engaging frankly with our partners in the region, holding Governments to account when human rights standards slip. The UK is all too familiar with the challenges of balancing personal freedoms and the rule of law, with the first duty of Government to protect their citizens. Our approach is idealism tempered with realism. We are absolutely clear about what is right and wrong and what foundations are required for truly free societies, but we also recognise the limitations on our ability to enforce change anywhere in the world. Societies progress at their own pace and the UK will continue to work with them, utilising our strengths but without arrogance, on what can be a long and difficult road to freedom, security and prosperity for all.

Let me make a few remarks about the two main issues that have come up today—Kashmir and Sri Lanka. I fully understand the sense of frustration felt by many people in the UK about the situation in Kashmir. As my hon. Friend the Member for Bury North (Mr Nuttall) reminds me, the context of that is the years I spent both growing up and living in Bury North and representing many Kashmiri citizens and friends there.

I have answered a number of questions tabled in the House asking for the UK to take a more active role in resolving the dispute. The hon. Member for Birmingham, Ladywood (Shabana Mahmood) accurately described the cost over the years of the long-running problem to the communities in that area. The position of successive British Governments has consistently been that any resolution must be for India and Pakistan to agree, taking into account the wishes of the Kashmiri people. As India and Pakistan are currently making efforts to build confidence in all aspects of their relationship, I believe it is important that they be given space to determine the scope and pace of that dialogue. No matter how well intentioned, any attempts by the UK or other third parties to mediate or prescribe solutions would hinder progress.

We continue to monitor developments In Kashmir closely, especially as reports of human rights abuses on both sides of the line of control continue. We are all aware of the violent protests that occurred in Indian-administered Kashmir during the summer of 2010. More than 100 civilians were killed and a number of security forces personnel were injured. During the unrest there were allegations of excessive use of force by security forces against protesters and allegations that protesters themselves had used violence. We are also

aware of the large number of detentions that have since been the subject of an Amnesty International report. However, we welcome the renewed engagement by the leaders of India and Pakistan to grope towards, perhaps for the first time in a long time on a personal basis, answers to this issue. We also note that the Indian Prime Minister Manmohan Singh said that human rights abuses by security forces in Kashmir would not be tolerated, and we welcomed his appointment of three interlocutors to engage with a wide range of interested parties to help to resolve the situation in Indian-administered Kashmir. We understand that those interlocutors will publish their recommendations soon.

Our officials in our high commissions regularly discuss and regularly raise difficult issues in Kashmir with both the Indian and Pakistani Governments and with contacts in those areas. Our resources from the conflict pool also support work promoting human rights, conflict prevention and peace-building efforts, as my hon. Friend the Member for Woking (Jonathan Lord) reminded us.

I thank hon. Friends for raising various issues relating to Sri Lanka. I assure the House that I have a regular and very frank relationship with Foreign Minister G. L. Peiris. We discuss all the significant issues that have been raised today. The allegations of war crimes and other human rights violations committed by both sides in the military conflict are of great concern to us. The UK has consistently made its position clear: Sri Lanka needs to address accountability through an independent, thorough and credible process that meets international standards and allows the people of Sri Lanka to move towards reconciliation and lasting peace and security.

Sri Lanka has faced enormous challenges during the many years of war and its aftermath. Its Government have made important progress in some areas. We hope that all those displaced by the conflict who have returned to their home areas will be resettled in permanent accommodation in the near future. De-mining and reconstruction of key infrastructure in the north is progressing. However, just as it is fair to note progress, so it is fair to note that it has not been complete everywhere and that serious challenges remain, as I saw when I visited Jaffna earlier this year.

Steve Baker: Will my hon. Friend give way?

Alistair Burt: No. My hon. Friend will have an opportunity to speak in a moment.

We believe that further action is required to make peace sustainable. In particular, minority political grievances need to be resolved, the mechanisms for protecting and promoting human rights need strengthening, and Sri Lanka's communities must collectively deal with the legacy of such a long conflict. Sri Lanka has begun to address some of these issues. We hope that the Government will set out their view of a political solution to the causes of the conflict and rapidly demonstrate their commitment to resolving minority concerns sustainably. The LLRC report, which will be published in November, must set out clear steps towards accountability in respect of allegations of war crimes.

Under international law it is the primary responsibility of the state concerned to investigate and, where necessary, prosecute credible allegations of violations of international humanitarian and human rights law. Experience has shown that countries that take concrete action to address conflict issues through a process of truth, justice and reconciliation are more likely to achieve long-term peace. By corollary, those that do not take such action will not achieve peace. We want to see Sri Lanka take those actions. While we share international concerns about the credibility of the LLRC, it is a Sri Lankan-led process and we want the Sri Lankan Government to use it to address allegations effectively and allow their communities to live and work together.

The international community can also provide support to Sri Lanka. The comprehensive report of the UN panel of experts is most welcome, and we welcome the UN Human Rights Council's consideration of those recommendations. We understand that this, and the disturbing Channel 4 footage, on which I made some fairly straightforward comments at the time, will be considered by the LLRC before it produces its report in November. It is a step in the right direction that we wish to encourage.

The passion and commitment of Members who have spoken in today's debate and the balance achieved through different Members speaking their truth on difficult areas should, I hope, persuade any constituent that we care about these issues, that they matter to the UK Government and that foreign Governments have nothing to fear from our honest inquiry springing from the values that we know they profess to share.

5.58 pm

Steve Baker: It is an incredible honour and privilege to open and close the debate today. It has been a debate on the most exquisitely sensitive of subjects, and I think that Members on both sides of the House have at least sought to be even-handed. I know that some Members perhaps felt that the balance swung one way or another, but I think today we can all be proud of Parliament. As happens so often, I found myself agreeing with the hon. Members for Luton North (Kelvin Hopkins) and for Luton South (Gavin Shuker). I find myself recognising that although we in this House often disagree on means, we so often agree on ends. The right hon. Member for Rotherham (Mr MacShane) made a passionate call for action—a call that I confess I did not have the courage to make. I congratulate him on making it.

My hon. Friend the Member for Colne Valley (Jason McCartney) reflected powerfully on his visit to Kashmir, and my hon. Friend the Member for Burton (Andrew Griffiths), in talking about his long involvement, demonstrated his passionate commitment to the issue. The hon. Member for Brent North (Barry Gardiner) and my hon. Friend the Member for Harrow East (Bob Blackman) mounted a passionate and even-handed defence of India. The hon. Member for Brent North was absolutely right to talk about the structure of the resolution. In the end, in this House and elsewhere we need to move away from fault and look at how prosperity, peace and progress can be delivered for people, wherever they may be. I am proud of Parliament today because we have represented all our constituents in the best possible way.

Mr MacShane: On a point of order, Mr Speaker. Is it in order to ask you, sir, to pay a tribute on our behalf to Sir Malcolm Jack, as he rises for the last time in the chair as chief Clerk of this our House of Commons? That funny triangle of you, Sir Malcolm and his colleagues is one that the public do not know much about, but I certainly pay tribute to the fact that Sir Malcolm has

[Mr MacShane]

been a constant source of advice, friendly help and courteous consideration. I am sure that his successor will be every bit as good.

Sir Malcolm is an expert on Portugal and has written a very fine book on it, which I can recommend to everybody who wants to understand mediaeval and renaissance Portuguese history—undoubtedly very helpful as he tries to steer his way through our Standing Orders and "Erskine May". I invite you, Mr Speaker, as one of the last acts of this two-week session, to say just a word of thanks to him on behalf of all of us.

Mr Speaker: I am grateful to the right hon. Gentleman for his point of order. I endorse every word that he has just uttered, and I am delighted indeed to volunteer on behalf of the House the tribute sought by him.

Malcolm Jack has served this House with dedication, passion and intellectual flair for 44 years. His is a quite outstanding track record of selfless public service in the interest of Parliament and of the country. It has been a superb record. Malcolm is a brilliant man, not given to issuing press releases to advertise the fact. He rejoices in helping the House, he has exceptional interpersonal skills and he commands the loyalty, respect and affection of literally thousands of people who work in the House and who observe the House from outside. As he retires, he will do so with the affection and goodwill of everyone who works here, and we hope that he has a long, healthy, happy and, I suspect, very industrious and enterprising retirement.

6 pm

Motion lapsed (Standing Order No. 9(3)).

Business without Debate

DELEGATED LEGISLATION (COMMITTEES)

Motion made,

That the motions in the name of Sir George Young relating to the Electoral Commission and the Local Government Boundary Commission for England shall be treated as if they related to instruments subject to the provisions of Standing Order No. 118 (Delegated Legislation Committees) in respect of which notice has been given that the instruments be approved.—*(Sir George Young.)*

Hon. Members: Object.

Royal British Legion (Princes Risborough)

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Vara.)*

6.2 pm

Steve Baker (Wycombe) (Con): It is a huge pleasure to have the opportunity to address the future of the Royal British Legion hall in Princes Risborough, which I believe is a subject only slightly less fiercely contested than those that we have dealt with this afternoon.

I know that you, Mr Speaker, have taken an extremely close interest in the issue, including through extensive correspondence, as the hall falls within your constituency. The Minister for Europe, my right hon. Friend the Member for Aylesbury (Mr Lidington), being a resident of Princes Risborough, has taken a very close interest also, so my sense this evening, given that it turns out my regional Whip is quite interested too, is that the public have had a four-for-one offer on the subject.

The Royal British Legion was founded in 1921 to provide help and welfare support to those who had fought in the first world war. It currently boasts 380,000 members and about 2,700 branches throughout the UK. On 9 October 2008, the new legion club was launched. It was the culmination of a £5 million project by the Royal British Legion to replace older legion clubs with a new generation of professionally run social clubs.

Twelve months later, with nine clubs, including Princes Risborough, trading under the new legion club name, the project was declared a failure. Contributing factors included the smoking ban, changes in consumers' drinking habits and the economic downturn, and the nine revamped venues were put up for sale. I understand that Princes Risborough is the only remaining branch that has not been closed and/or sold.

Princes Risborough Royal British Legion hall was erected in the 1950s. Crucially, it was built and paid for by members of the local community for the benefit of the branch and its activities. The premises are on two floors, with the ground floor providing a bar and dining facilities and the first floor a large hall with stage. This facility has served the purposes of the branch and the wider community for over 50 years. Throughout that time, the club made a trading profit year on year.

Just over two years ago, the branch was approached by New Legion Clubs, which requested that the branch transfer the lease of the premises to it. In return, NLC promised a refurbishment of the premises, a membership recruitment drive, professional management, and future security for the branch and the club facility. The branch subsequently agreed to this request, the refurbishment was undertaken, and the premises reopened. As part of the memorandum of understanding between the parties to this arrangement, it was clearly stated that

"in the unlikely event that NLC should fail as a business, the lease would be surrendered to RBL HQ and the Branch"

would

"be given the option to re-open as an Original Legion Club".

Some 12 months after the reopening, the branch received a letter from Royal British Legion HQ stating that New Legion Clubs was a failing business and that it was to be put into administration, with all nine NLC premises, including Princes Risborough, to be sold for

the maximum return. The branch requested that the memorandum of understanding be honoured and that it should be given the option to reopen as an original legion club or as a facility offering wider community use. The request was denied and the premises were put on the open market. However, it was agreed that the branch could continue to operate from the premises and hire out the facilities, provided that there were no alcohol sales.

With the full support of the branch, Princes Risborough town council submitted a bid of £400,000 to purchase the property for use as a community facility, while pledging to allow the branch a permanent presence on site. RBL HQ rejected this bid. Its preferred purchaser was, I understand, a developer that intended to convert the site to residential usage. However, when the developer realised that it was not likely to obtain "change of use" planning permission, its offer was withdrawn and the property was put back on the market. The branch made a direct bid of £350,000 to purchase the property. That bid, which was supported by a professional business plan, the town council and the wider community, was rejected in favour of selling the property to a developer. That, too, fell through. The third time the property was offered for sale, there were only two bidders: W. E. Black Ltd, which bid £475,000; and the locally based Chilterns Christian Fellowship, which bid, we understand, a materially higher amount.

I want now to concentrate on the memorandum of understanding. In his letter of 3 August to Councillor Alan Turner, Andrew Axcell, the commercial head of RBL, acknowledged that when the branch agreed to the transfer of the lease to enable use by New Legion Clubs, the briefing notes that were in use contained the statement that if NLC failed,

"The lease for the building would be surrendered back to the Legion. The Branch would then have the option to form a Club Committee, if it felt that a club could be successfully run by its own members. The Club Committee would be able to lease the building from the Legion and open another club in the traditional manner."

However, Mr Axcell then went on to explain that the trustees of RBL had decided that they had legal grounds to ignore the MOU on the basis of

"the duties which are placed on them by the trust document or by charity law".

In your letter of 22 August, Mr Speaker, to Chris Simpkins, the director general of RBL, you said:

"you have simply not addressed the point that I made in the fourth paragraph of my letter of 3 August—namely, that the Princes Risborough Branch asked that the commitment in the Memorandum of Understanding...be honoured. That commitment has been dishonoured, and it should not have been. If the Royal British Legion nationally did not intend to honour the MOU, it should not have signed it. As your organisation did sign it, my constituents and I are entitled to expect that you honour it."

This point has not been addressed in any of the correspondence that you, Mr Speaker, have received from Mr Simpkins's office. The building ran into difficulties only following its relationship with New Legion Clubs.

In his letter to you, Mr Speaker, of 17 August, Chris Simpkins said that

"charity Trustees have a statutory duty to act, at all times, in the best interests of the Charity's beneficiaries. In so doing, Royal British Legion Trustees are bound by the terms of our Royal Charter. Whilst the importance of the contribution which the premises at Princes Risborough makes to community life is appreciated, this is not a consideration that Trustees are entitled to take into account when evaluating offers for the sale of the premises. Trustees are required to secure best value in the disposal taking all relevant factors into account and therefore ignoring all irrelevant factors. I appreciate how difficult this fact might be for local people to understand and accept, but there is no escape from it."

You, Mr Speaker, local councillors and Risborough residents feel that if the hall is sold to the Chilterns Christian Fellowship, it will cease to be a resource for the community, at least in an equivalent way. I do not know this particular fellowship, but as a Christian I would be disappointed if a church turned out to be a net loss to the community. Although such considerations are material to the decisions that might be taken by property owners, I would like the Government to respond to the objective questions of law that this matter raises in the context of localism and the big society.

It seems to me that local attitudes to the development of a church are somewhat tangential from the law and this House in a free and open society. However, the Royal British Legion signed a memorandum of understanding that it subsequently decided not to honour. The principle of that action should be a matter of concern to this House. The hall was built and paid for by local people and the memorandum of understanding was material to the decision by local people to permit New Legion Clubs to take over the facility. Such matters of trust are fundamental to a good society and to a civilisation based on voluntary action and co-operation.

It is very much to be regretted that the Royal British Legion appears to have fallen short of the standards of honour that are customarily associated with its members. I wish to know whether that apparent dishonour has been forced on the RBL, perhaps by the law or by bad legal advice. If the RBL could have honoured its memorandum of understanding within the law, of course it should have done so. The RBL has refused a public meeting in Risborough with the New Legion Clubs review board to discuss this matter further. I would therefore be grateful for the Government's advice, in particular on the matters of law at hand, on the implications for the Government's big society programme and on the Localism Bill and the community right to bid.

6.12 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): I am pleased to be responding to this debate. I congratulate my hon. Friend the Member for Wycombe (Steve Baker) not only on securing this debate, but on speaking on behalf of you, Mr Speaker, and making it very clear what the issues are. When I was first told that I would be responding to this debate, I had a moment of self-doubt, but the Secretary of State assured me that I am exactly the right person to respond. I hope that any deficiencies will be forgiven on this occasion.

There is clear and passionate concern in the community of Princes Risborough over this issue. I have read the correspondence and heard what my hon. Friend has said. There is a strong belief that a better outcome was possible within the constraints of charity law. I hope that I can address that particular point. My hon. Friend, I think, invited me to give a Government view on a legal interpretation. I am sure he will understand that it is not possible for me to do that. Perhaps in the course of my

[Andrew Stunell]

remarks I can give him some pointers that he can take forward. Princes Risborough is evidently a very fortunate town, given that so many Members of this House are so strongly engaged in securing it a better future. I and the Government are sympathetic to the concerns that have been raised. I applaud the efforts of the local community and the town council to save the hall on behalf of the local branch.

My hon. Friend has set out the rollercoaster of events that have taken place and brought us to this situation. All too often, when hon. Members bring issues before the House by way of Adjournment debate, it is a case of spilt milk. On this occasion, as well, I have to say that it is not possible for the Government to come along and put the milk back into the bottle. Of course, the underlying problem is that, as a charity, the Royal British Legion is required by charity law to act in the best interests of the charity and obtain the best price it can when disposing of land, and it would be inappropriate for the Government to intervene and cut across that process. I note, however, that it would have been lawful for the Royal British Legion to transfer the property to the local branch provided that the local branch was set up as a charity and had the same objectives, broadly speaking, as the legion.

That brings us to one of the crucial points that has been in dispute between the legion and those who support the efforts of Princes Risborough's residents. Where land or property is held in trust for charitable purposes, special rules apply under charity law once charity trustees decide to sell. In general, the charity must obtain professional advice and seek the best price it can get. That approach is designed to maximise the funds that can then be reapplied to the charity's purposes in other ways. Charity trustees cannot sell land or property at less than best price unless to another charity with compatible charitable purposes or where the land is to be leased to a beneficiary of the charity.

A charity's trustees are ultimately responsible for running the charity. Their freedom and independence to act in the best interests of the charity and its beneficiaries within the law and the terms of the charity's governing document is a fundamental principle of charity law. It is the trustees' decision whether to dispose of land at below best price to another charity with compatible charitable purposes or whether to sell it on the open market for the best possible price and use the funds generated to further the charity's purposes in other ways. I suggest that the crucial point is the option that the Royal British Legion had to take the former course rather than the latter.

A review of the Charities Act 2006 is due to begin shortly. That Act requires the Government to carry out a review of its working every five years and to report to Parliament, and the review will consider the rules around the disposal of charity land. It is expected to take between six and nine months and it will report to Parliament. In all probability, there will be an announcement about that next month.

It is worth asking what the rules are and which issues my hon. Friend might want to consider raising during that review. Existing charity law dictates that trustees must always act in the best interests of their charity. How they demonstrate that is usually left to their discretion, but when it comes to selling, leasing or transferring their charity's land, the law sets out clear requirements to ensure that those important transactions are properly managed in the charity's interests and that the trustees obtain the best price that is reasonable in the circumstances.

In most cases, the law enables trustees to proceed without approaching the Charity Commission for specific approval before they carry out the transaction. Trustees must think carefully before disposing of valuable assets of the charity. They might be useful in the future and therefore the trustees must be satisfied that any disposal would be in the best long-term interests of the charity. They should consider whether it would be better to retain the land for longer and perhaps continue to take any income from it so as to earn more from it later; to consider continuing to use it for the benefit of the charity in spite of the money that could be realised; or, as I just said, to decide to transfer it to another, parallel charity.

In most cases, charities can undertake a disposal of land without the need for prior authority from the Charity Commission. In cases where the trustees have decided that it is in the charity's best interests to dispose of the land, the trustees must ensure that they have obtained and considered a written report from a qualified surveyor, advertised the disposal following advice from the surveyor and satisfied themselves that the proposed terms are the best that can be reasonably obtained in the circumstances of the disposal. Those requirements were referred to in the correspondence from the representative of the Royal British Legion that my hon. Friend read into the record a few minutes ago.

This is not the first case in recent years where a charity has decided to sell a property against the wishes of the local community. In many cases—this is one—the local community might want to take over the assets at below best price for continuing charitable purposes. The important point is that that is not possible unless they are similar charitable purposes to those of the selling charity. Disposal at below best price is permitted only where the property will continue to be used for charitable purposes that fall within the disposing charity's purposes. In some cases, even where the local community wants to use the property for the same charitable purposes—this might well be such an example—the trustees may decide that selling at below best price would still not be in the charity's best interests and may proceed to sell the property on the open market. Ultimately, that is a decision for the trustees of the charity, having sought suitable professional advice.

As I said, the Charities Act requires the Minister for the Cabinet Office to appoint a person to review that Act within five years of its enactment. The review is expected to be broad in scope and will consider the charity law provisions regulating land transactions. The review is expected to take between six and nine months and must report to Parliament on its conclusion. It is unlikely that the review will recommend changes that would undermine the fundamental principles of obtaining best price for disposals to recycle funds to the specific charitable purposes, except where, as I have said, the charity has compatible purposes. It is also unlikely that there would be a change reducing the freedom and independence of charity trustees to make decisions, with professional advice where appropriate, that are in

the charity's best interests, within the law and the terms of the charity's governing document.

I know that my hon. Friend and you, Mr Speaker, are articulate, persistent and ingenious, and I would be disappointed if hon. Friends and Members were not able to draw from this incident the strength and determination to make a submission to that review of charity law—perhaps one that uses this case as an object lesson and draws attention to how important it is that a charity, when reconfiguring its assets, has regard to the opportunities for other charities in the locality with a common purpose to continue to provide a charitable service using those assets.

Perhaps also a representation could draw attention to the provisions of the Localism Bill—by then it might be an Act—which my hon. Friend drew attention to and asked me to comment on. When the Localism Bill becomes an Act, it will introduce a community right to buy. I want to make it clear that it will not be an absolute right to buy, but there will be a window of opportunity for community organisations—the town council, for example—to make a bid for community assets. The Government are well aware that the most common problem that communities face when trying to save a building or amenity is a lack of time and not being given enough notice to do anything about the issue.

Over the past decade, communities have been losing local amenities and buildings of great importance to them, such as village shops, the local pub or community centres. The Localism Bill is introducing measures that will provide people and community organisations with a fair chance to bid to take over assets and facilities that are important to them. Any submission made in pursuance of the review of the Charities Act might want to draw particular attention to the community right to buy, and to consider whether it might be appropriate to draw lessons from this experience.

It is certainly the Government's intention that it will be much easier for local communities to save important community assets, enabling them to tackle real social need and build up resources and employment in their neighbourhood in more innovative, enterprising and cost-effective ways. There is no doubt that, under the provisions in the Bill, the community and the town council in Princes Risborough would be able to nominate the British Legion hall as an asset of community value, and when the British Legion decides to put the hall up for sale, the town council and the community would have additional time to raise additional funds and develop a robust business case.

I realise that this issue has created a great deal of difficulty and tension in the community in Princes Risborough, but I want to pick up on one of my hon. Friend's points about what might happen, should the premises be transferred to the Chilterns Christian Fellowship. Both he and I hope that the fellowship would play a full and active part in supporting the community of Princes Risborough and making the facilities available. I understand that it has indicated that it would be willing to support the activities of the local branch, possibly including hosting some of its activities. Speaking in personal capacity, I would welcome that, and I want to encourage constructive dialogue between all parties to ensure a satisfactory outcome.

As I said earlier, there is no way that I, on behalf of the Government, can put the milk back into the bottle, but I hope that I have done something to assure the House that there will be a better route in future, and that there are still positive outcomes to be had in Princes Risborough.

Question put and agreed to.

6.28 pm

House adjourned.

Westminster Hall

Tuesday 6 September 2011

[MR GARY STREETER *in the Chair*]

Bus Industry

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr Newmark.]*

9.30 am

Graham Stringer (Blackley and Broughton) (Lab): It is a pleasure to serve under your chairmanship again, Mr Streeter. It is now 25 years, a quarter of a century, since buses outside London were deregulated following the Transport Act 1985. We have a great deal of experience of what the implementation of the Act meant. By and large, it has been a very poor experience. It is sensible to call it a disaster for the bus-travelling public. In Greater Manchester, in the past 20 years, approximately 30% of the number of people who travelled by bus no longer do so. Bus deregulation has meant higher fares in real terms, a reduction in the networks and less reliability. It is not surprising, therefore, that the number of passengers has reduced.

I will not say that everything about bus deregulation has been awful—most of it has been. If I had to put a figure on it, it would be approximately 80%. A great deal of it has been bad. Bus deregulation has been successful on radial routes in major urban conurbations, where the service in peak times is often better than it was. The old transport authorities and county councils were guilty of having inflexible bus routes and of sending buses to where people lived 30, 40 or 50 years previously, before areas were demolished and rebuilt elsewhere. The commercial flexibility of the deregulated system has had some benefits, but overall the impact has been negative.

How does one disaggregate that from the natural trends in bus ridership in the past 25 years or so? Well, that is fairly easy because we have a precise comparison. When bus services were deregulated in the rest of England and Wales, they were not deregulated in London. Between 1986 and when the office of the Mayor of London was introduced in 1998, the regulated franchise system in London retained its passengers with very little subsidy. From the time of the election of Ken Livingstone in 1998, the number of bus passengers in London increased and the network became more extensive because a considerable increase in subsidy was put into the system. The period after 1998 does not offer an exact comparison, but the period between 1986 and 1998 offers a very good comparison. Bus passengers were retained in this city, but they were not retained elsewhere. The simple conclusion is that that is because of bus deregulation.

Behind all the statistics that I will use in my speech, there are real people. If people want to get a sense of the damage that has been done to individual lives by the loss of bus services—it affects family life and the ability to get into employment—I suggest that they read the recent Transport Committee report, "Bus Services after the Spending Review". That report has example after example of people's lives being blighted, their ability to obtain employment diminished and their ability to see their families reduced because bus services have disappeared.

I thank the officials at the Passenger Transport Executive Group, Sir Howard Bernstein, chief executive of Manchester city council, and his officials at Transport for Greater Manchester. They provided a lot of the statistics in this speech about transport in Manchester and transport nationally. Two thirds of all public journeys take place by bus, even after the reduction in numbers following deregulation. We are therefore talking about something that is important to many people's lives, often the poorest people in our communities, and something that is vital to the economy.

My main point in this speech is that there will be cuts to an already reduced system. I do not want a sterile debate in which the Government say that it is all the fault of the previous Government that they are making cuts, and we on this side of the Chamber say that the cuts are too fast and too deep. Both those points have their place. What is interesting is that, because we are dealing with cuts to a deregulated system, it is possible to diminish the impact of those cuts by looking carefully at what are likely to be the recommendations of the Competition Commission, and by trying to use more effectively and directly the facilities in the Local Transport Act 2008. That is what I want to concentrate on.

To get some sense of the size of the impact of the cuts that are likely to happen, I will go through what the bus system is faced with. First, there is the 28% reduction in local authority grants, which will affect buses. Then there are changes in the formula for concessionary travel. Estimates on the impact that that will have on the bus system vary between £50 million and £100 million. The best estimate is approximately £77 million. From 1 April 2012, there will be a 20% reduction in the bus service operator grant. In passing, I say to the Minister that BSOG is not used in the most effective way. As a general grant to the bus industry it is fine—it helps. However, it would be better if it were given to transport authorities and passenger transport executives so that they could direct it to environmental improvements or particular enhancements to transport, rather than it just being given generally to bus companies.

Those are the three big areas where there will be cuts, but there is also the abolition of the rural bus grant and the 50% reduction for small and medium-sized public transport schemes from the integrated transport block. There will, therefore, be major changes and reductions in bus services in the coming years. PTEG has tried to estimate what will happen and its conclusions are pretty stark and frightening. It estimates that by 2014 fares will have gone up by 24%—nearly a quarter—in real terms, there will be a decline in service levels of 19%, which is nearly a fifth, and patronage will be down by about a fifth. That is in metropolitan areas, which is what is covered by PTEG.

According to the Transport Committee report, 70% of local authorities in non-urban areas have already cut their grants for buses and transport. My hon. Friend the Member for Hartlepool (Mr Wright) is present and I look forward to listening to his contribution later, but in Hartlepool 100% of the bus services subsidy has been removed, as is the case in Cambridgeshire, although I understand that that is currently subject to legal challenge. In Somerset, North Yorkshire, Shropshire

[Graham Stringer]

and Northamptonshire, there have also been significant cuts, while in Luton and Peterborough there have been no cuts. The situation around the country is varied but, overall, it looks pretty bleak, given the PTEG projections for urban areas and the known cuts identified in non-urban areas by the Transport Committee.

Transport is a function devolved to local transport authorities but, I ask the Minister as the Transport Committee did, surely central Government have a responsibility, not to make local decisions but to know what is happening in every area, so that when the Government make decisions about their grants and where they spend their money, they can do so as accurately and effectively as possible, and that requires knowledge.

The Office of Fair Trading decided that it would refer the bus industry to the Competition Commission. There was already a great deal of evidence from Greater Manchester and other places that monopoly behaviour was effectively taking place. It has taken the competition authorities a long time to get around to looking into it. More than 10 years ago I wrote to the competition authorities and asked them to investigate—I was not the only person who did that—and they said, "Please produce written documentation of unlawful agreements between different bus operators." Of course I could not do that—those documents would not be available to a Member of Parliament or anyone else, if indeed they existed—but by looking statistically at what is happening, we can see all the signs of real monopoly behaviour, and that is what the Competition Commission has found.

I will go through some statistics for Greater Manchester. In Oldham, for instance, 85% of the services are provided by First. In my own constituency the figure is about 67%, in Salford 77% and in the whole of north Manchester 70%. In south Manchester, we can see a mirror image of those figures, with Stagecoach monopolising: in Stockport it provides 82% of services, and in the whole of south Manchester about 74%.

My constituents suffer a real disadvantage in fare levels. I was told when I put my case to First that not many people buy the one-off fare, but that people buy weekly tickets. Even the weekly tickets bought from First by people in north Manchester are 47% higher—£17, compared with £11.50—than the price people pay in parts of south Manchester, where the average income is about £10,000 higher than for my constituents. So if they need to use buses, they are paying twice the percentage of their income on fares. Frankly, there is little on-road competition, which is what was originally intended to be the driver of better, more effective and more responsive services under bus deregulation.

Another indication of monopoly or anti-competitive behaviour is what in the system is called gaming the market, where bus companies use the fact that two different transport systems are in operation—the deregulated system, under which anyone can operate a bus service having given a small length of notice, and the subsidised, tendered services. In designed deregistration, the bus company is really saying, "We can make more money from this service, because it is an important service for the public, if we deregister it and then get the transport authority to tender it out." Then, if it loses the tender, and a tendered service is running, the company reregisters the services, or parts of them, to undermine the subsidised service. An awful lot of such anti-competitive behaviour goes on.

As I said, the competition authorities were slow to get off the mark and to look at the area, but they have got off the mark, and credit to them for that. They have found that profits are much higher in the deregulated area than in London. In the past 24 hours Go-Ahead, for its out-of-London services, has just announced record profit levels of up to 10.4%.

Mike Weatherley (Hove) (Con): The hon. Gentleman mentioned that anyone may enter the bus market, but does he agree that one of the faults of deregulation was that it did not create a perfect market? There are significant barriers to entry, even if one does not go through the subsidised route but sets up an independent service.

Graham Stringer: The hon. Gentleman makes a perfectly sound point, which I will come to in my conclusions. The large operators own the garages and can afford to subsidise competition if there are new entrants to the market—it is a long way from being perfect competition.

I was talking about the profits of Go-Ahead but the profits of Stagecoach are truly staggering, especially when the economy is flatlining and we have been in recession. They are up to £153 million from £126 million, which is an increase from 14.4% to 17.1%. In the friendly debates I have with Brian Souter of Stagecoach, he once called Gwyneth Dunwoody and me "dinosaurs" because we believe in going back to a sane system of regulated buses—he even set up little models of dinosaurs. I do not know how many people in the Chamber remember the film made of the James Clavell book, "King Rat". When the Japanese prisoner-of-war camp in Singapore was liberated by allied forces, there was one very fat prisoner among all the other prisoners, whose ribs were showing—they were starving to death. At a time of austerity and the economy not doing well, Brian Souter and Stagecoach are the King Rats of the British economy, doing enormously well out of public subsidy when everyone else is struggling to get to work and make a living. They are, in effect, subsidy junkies.

The figures in the Transport Committee's report show that the bus industry outside London receives from the fare pot about £1.8 billion in a total income of £3.4 billion, so 47% of the bus industry's income comes from taxpayers. It is as simple as that. Whenever a bus leaves a depot, an average of 50% of its costs are paid by taxpayers. Given what has happened with deregulation, is that sensible use of taxpayers' money? Are we receiving the best possible value?

Mr Andrew Turner (Isle of Wight) (Con): The hon. Gentleman may not know that in my constituency there is only one bus company for the whole island, and there is no competition. What prevents large companies from competing in the parts of Manchester that he mentioned, where that seems not to happen?

Graham Stringer: I am the wrong person to ask, but my view is that companies do not compete because then they can exploit the market using informal agreements or in nods and winks, by putting up fares in their own areas without the cost of competing. The statistical evidence in their profits and fare levels is that they are

exploiting the market compared with what happens in the London market. That is voluntary. Companies are happier operating in their own areas. They say that they do not like the extra dead mileage if buses must be driven into areas where other companies operate from their depots, but that is a weak argument. They simply do not want to compete because it is more profitable for them not to.

The making of high profits was the first major finding in the Competition Commission's interim report. The second was that many operators face little or no competition. It is welcome that the commission finally got around to writing the report, but it is flawed in many ways, as such reports tend to be because they look at statistics over the past five years, but the economic world is now different and more difficult. They estimate that anti-competitive behaviour costs £70 million, but they do not include the cost when people abandon buses; if that were included the real cost to the public would be much higher. In addition, they do not look at how the current bus system inhibits the use of simple integrated ticketing, which would drive up the number of passengers using buses.

I have a few requests for the Minister. First, when the Competition Commission's report is published and he is considering what to do about buses, will he bear in mind that there is a lot of information out there, but it has to be culled at great expense from surveys and other sources, because the bus companies keep much of their information private, despite receiving 50% subsidy? Good-quality information is vital for local transport authorities when planning their services.

My second request is for through-ticketing. We know what brings people back on to buses: a simple, low-fare structure with through-ticketing. It is estimated that if fares are cut by 20%, passenger numbers increase by 13%, with a further increase if the ticket structure is simplified with through-ticketing. What can the Minister do to help that?

My main question, which goes back to the beginning of my speech, is how can the Minister support and help to build on the powers and structures in the 2008 Act? I know that he understands the legislation thoroughly, because he and I served on the scrutiny Committee. There are many barriers facing South Yorkshire, West Yorkshire, and Tyne and Wear passenger transport authorities. They are considering moving back to a regulated system of quality contracts, because the buses, bus drivers and depots are in the hands of the bus companies, which have rubbished the Competition Commission's interim report—well, they would—and are threatening a scorched earth policy for any passenger transport executive or authority that decides on re-regulation. What help can the Minister give those transport authorities?

Everyone knows that we are dealing with a coalition Government. The Minister's views are well known from the time before he was a Minister, as are the Secretary of State's. The Secretary of State is more of a free marketeer, and the Minister believes in the instruments in the 2008 Act, but when the bus industry is declining, the balance between the two parts of the coalition, resulting in a watching brief and agnosticism on the industry's future, is not satisfactory. I should be grateful if the Minister told us his view.

My final point is that the present Government and Governments for the past 25 years have not done enough for the quarter to one third of people who do not have access to a car and rely completely on buses. One of the most appalling sarcastic comments made by the last Prime Minister, in response to a Birmingham Member who asked what he would do about the loss of a bus service in Birmingham, was that he would immediately call a Cabinet meeting. He said that sarcastically, but Cabinet Ministers should discuss bus services. They are vital for many millions of people in this country and they have been neglected or given too low a priority for long enough. I look forward to the Minister's support in protecting and helping the bus industry at a time of inevitable cuts. That is possible.

9.58 am

Mike Weatherley (Hove) (Con): I congratulate the hon. Member for Blackley and Broughton (Graham Stringer) on securing this debate. Although passenger numbers are on the decline throughout the country, I understand that buses remain the most popular form of public transport. Usage is on the increase in Brighton and Hove, which bucks the national trend.

In the city of Brighton and Hove, which includes my constituency of Hove and Portslade, we are fortunate to have a good bus service. We benefit from a network of many routes, frequent buses, and well-maintained bus shelters. I pay tribute to the managing director of Brighton and Hove Bus and Coach Company, Roger French, for his excellent management of the network in previous years. Increasingly, the company has been able to make use of new technology, such as real-time information screens at bus stops and smartcard readers on buses. While that is great news for residents of Brighton and Hove, I would argue that more competition is needed to protect the interests of bus passengers in future.

The Brighton and Hove Bus and Coach Company is owned by Go-Ahead, one of the five biggest bus service providers that together account for 69% of the country's bus services. In areas such as my constituency, where one company operates over 95% of the public bus services, not much can be done when fare rises are proposed, as will happen later this month. Passengers cannot go elsewhere to get a cheaper ticket.

More competition would go some way towards maintaining best value for consumers and continuing to keep pressure on efficiencies. As the situation stands, however, the many barriers faced by new companies that are setting up bus services effectively restrict competition. Although in theory schemes are open to all companies that wish to take part, the costs of doing so are so prohibitively high that in practice they are open only to large companies that can afford to take part. A case in point is the real-time information system. Electronic display boards are now located on most bus stops in the centres of Brighton and Hove and provide real-time information about bus times. I have witnessed at first hand the system in operation at the Brighton and Hove Bus and Coach Company's operational centre, and it is very impressive. The system is open to all bus operators, but only if they pay substantial costs for the on-bus radio system, transponders and any necessary back-office equipment.

Some charges levied on transport companies are implemented in a way that penalises small companies. Although some charges vary according to the number

[Mike Weatherley]

of vehicles a company operates, meaning that larger companies pay more, other charges are fixed irrespective of size. Such fixed charges mean that small companies effectively end up paying a higher proportion of their income than larger ones. Charges for the registration of a public service, for example, or an application for an operating licence or a transport manager's certificate of professional competence, are the same regardless of the size of the company or the number of routes and buses involved, meaning that larger companies can absorb the cost more easily.

In my constituency, there is a small bus company called The Big Lemon that runs its buses on waste cooking oil from local restaurants. It has been beset by problems as a result of being a smaller company, to the extent that, as I understand, it has had to submit evidence to the Competition Commission and the Office of Fair Trading in order to protect its interests and, ultimately, to prevent it from being forced to cease operations. Fare increases have recently been announced by the Brighton and Hove Bus and Coach Company, and much has been made locally of the scale of those increases. In some places, fares will rise by as much as 20% and on most routes a return fare will cost as much as £4. However, on routes where The Big Lemon is in direct competition with the Brighton and Hove Bus and Coach Company, the fare will be only £2.50. That means that passengers in some parts of the city will pay 60% more than in other areas where competition has forced competitive pricing.

The Brighton and Hove Bus and Coach Company has stated that the fare increases are being introduced to reflect the rising price of fuel. However, as the managing director of The Big Lemon, Tom Druitt, pointed out, fuel does not cost more on different routes, and the difference in price seems designed to stamp out the competition represented by the smaller company. The Big Lemon also encountered a barrier to extending competition in the city when it attempted to join the quality bus partnership. As I understand it, that partnership is an informal agreement between the Brighton and Hove Bus and Coach Company and the council, and is not open to other companies or routes at present. The Big Lemon has also encountered difficulties in publicising information and timetables. It found that priority for such matters was given to the Brighton and Hove Bus and Coach Company, with the main information about fares and timetables on the council's website referring to services provided by the larger company. Smaller providers are mentioned and a link to their websites is provided, but the main emphasis is on the Brighton and Hove Bus and Coach Company. That situation could easily be rectified at no cost to the taxpayer, and it would encourage competition.

The attitudes and actions that I have mentioned are obstacles to increasing competition. If one small company has encountered such difficulties, how many more companies are experiencing problems around the country? Bus companies that benefit from large Government subsidies naturally have an advantage that small start-up companies do not have. In my constituency and across the city, the Brighton and Hove Bus and Coach Company receives a large subsidy from the city council—money that would make a huge difference to small operators such as The Big Lemon. There is a compelling argument that we should encourage the distribution of subsidies on so-called loss-making routes towards new, smaller, innovative companies, thereby increasing competition and benefiting passenger choice and transport quality in Brighton and Hove and beyond. As councils do not have direct control over the fares levied by bus companies, that is one way in which greater competition in bus services could be encouraged.

As mentioned earlier, there are other ways in which the council could assist in making the market more competitive such as providing fair website information and the quality bus partnership scheme. In summary, I would like to see measures implemented that are focused on delivering sensible competition and a code of practice that would put new operators on a level playing field, thereby reducing barriers to entry in the market.

10.4 am

Mr Iain Wright (Hartlepool) (Lab): Let me begin by saying what a pleasure it is to serve under your chairmanship, Mr Streeter. May I congratulate my hon. Friend the Member for Blackley and Broughton (Graham Stringer) on securing what I think is an important debate? He was kind enough to mention my constituency in his opening remarks, and I think that the example of Hartlepool and its bus users provides an almost perfect case study to illustrate why competition in the bus market is not working.

I would not disagree with the notion of competition in the bus market if it resulted in wider choice and a better-quality service for passengers. We would all agree that in an ideal situation, competition should keep operators on their toes, as they would be mindful of rivals securing a greater share of the market and would offer a more comprehensive service, a better fare and ticketing structure, more punctual journey times and more modern vehicles.

The situation in my constituency, however, is particularly frustrating because Hartlepool has all the ingredients for a good and comprehensive bus service. It is a relatively compact town; there are outlying villages, which I will mention in a moment, but at its heart is an urban centre just 2 miles wide and 5 or 6 miles long. Travel is self-contained and most journeys in Hartlepool take place within that urban centre, which therefore lends itself to a rapid, reliable, co-ordinated and integrated public bus transport system. About 40% per cent of households in my constituency do not have regular access to a car, which feeds into the need for a comprehensive public transport service to avoid isolation for many of my constituents.

Further afield, Teesside university in nearby Middlesbrough, the petrochemical and process industry cluster in Wilton, and the new logistical and distributional commercial opportunities at Teesport could mean that many of my constituents would have access to better employment rates and opportunities to participate in higher education if those places were connected by better public transport links. My constituency would benefit in every possible sense. From my experience in Hartlepool, however, it is clear that no effective market is in operation. My hon. Friend the Member for Blackley and Broughton touched on that with an example from Greater Manchester, and I will discuss that point in more detail later.

Bus services are dominated by one provider, Stagecoach, which has a significant share of the wider UK bus market. Such dominance has led to inefficiencies and distortions in the market—that is true not only in my constituency but, as we have heard, across the country. My hon. Friend quite rightly mentioned the profits made by Stagecoach, and it is worth reiterating that point. For the year ending 30 April 2011, Stagecoach made operating profits of about £200 million. Over three quarters of that operating profit—some £153.1 million—was generated solely through its UK bus operations. The profit margin of its UK bus division was 17.1%, as opposed to a 6.5% profit margin for its north American operations and 4.5% for its UK rail division. In its annual report Stagecoach states—boasts—of "sector leading profit margins" within its UK bus operations.

How was that allowed to happen? The answer is contained in the company's annual report. Its operating and financial review states that its business model for its UK bus operations in the regions is based on an

"emphasis on lightly regulated bus operations enabling management to vary prices, operating schedules and timetables in response to developments in each local market—"

and this is the key phrase—

"without significant hindrance from regulation."

It is therefore clear that Stagecoach seeks to cherry-pick profitable routes and discards socially or economically vital services the moment the taxpayer fails to take the risk on its behalf and subsidies are ended. The company is able to do so without the hindrance of an effective regulatory regime that could insist that such services are maintained for the good of the community.

The business model boasted about in the annual report is shown to be true when one looks at my constituency. As I said earlier, Stagecoach is by far the most dominant bus operator in Hartlepool. Arriva and Go North East provide a small number of services that travel in and out of the constituency, but in the main Stagecoach has a monopoly on the market, with about 80 % to 85% of market share.

The bus market in my constituency is striking for the absence of medium-sized bus companies. It has been difficult, as we have heard in relation to other places, for small and new entrants to the market to gain ground. Promising new entrants such as Tees Valley Coaches have provided some new routes, but have found it difficult to gain a foothold in the market and are now pulling back from providing routes.

A far too dominant player in the market has ensured that there is no incentive to improve services. Punctuality is poor. The traffic commissioner's target is that 95% of buses should be on time. In Hartlepool, that figure is 81%. As my hon. Friend the Member for Blackley and Broughton said, ticketing arrangements, too, undermine choice and competition. In my constituency, Stagecoach operates a ticket discount scheme, but it is available only for Stagecoach services, rather than bus services across the town. Passengers are dissuaded from using other operators—of which they have only a limited choice—because of the additional cost of buying yet another ticket.

Most damning of all—my hon. Friend kindly mentioned this—is the abrupt cancellation of services, which leaves my constituents without access to transport. Hartlepool borough council faces cuts in its budget from central Government of about 25%, and it has decided to stop all subsidised services. That means that there are in effect no bus services in my constituency after 6 pm or on Sundays. Some outlying areas of my constituency—villages such as Elwick or Dalton Piercy, as well as the central area of the Burbank estate—now have no bus service whatever, which has left residents in those areas completely isolated.

The recent report by the Select Committee on Transport, "Bus Services after the Spending Review", cites many comments from residents of my constituency. Miss Raw, for example, says that the bus service from Elwick to Hartlepool has been withdrawn, leaving the village completely cut off from Hartlepool. She states:

"I do not drive and therefore am finding it very difficult to shop for essentials, visit doctors, dentists, opticians, banks, hospital visits etc. Also I no longer visit friends, go to the theatre, or cinema, especially in the evening. In fact we are completely isolated."

Susan Elan Jones (Clwyd South) (Lab): Does my hon. Friend agree that whatever one's general view on the bus deregulation of the 1980s, the one thing that we know is that it was an unmitigated disaster in villages and very rural areas, as buses were reduced either to a highly limited service or, in many cases, withdrawn altogether? That compounded the problem of rural poverty, which is often not addressed in an urban environment.

Mr Wright: My hon. Friend makes an important point, and my hon. Friend the Member for Blackley and Broughton referred to the same issue. Economic activity is very much contingent on the availability of good transport and connectivity. Concerns have been raised with me both by constituents living in the urban part of Hartlepool and by constituents living in outlying areas, who say that they cannot take up a job because they cannot get to the place of work as a result of the absence or removal of the bus service.

Another of my constituents cited in the Select Committee report is Mrs Powers, who states:

"Since the removal of the bus service my daughter...has NO way of getting to and from college...Is she surely not entitled to the education she deserves? My daughter works very hard and gets excellent grades and I feel appalled that her future education is being jeopardised in this way!"

It is important to mention the importance of access to education in rural areas. My hon. Friend the Member for Clwyd South (Susan Elan Jones) will be concerned about that as well.

It is clear that competition in the bus market in Hartlepool has failed. Deregulation since the mid-1980s has not proved to be a success. The market is characterised by too dominant a player, making excessive profits by cherry-picking the busy and popular routes and ensuring that passenger choice is left behind. For those services that remain, punctuality rates are behind what should be expected, because operators do not fear that another company might come along and provide a better service that takes away their market share.

Mr Andrew Turner: It is not the case that things have been tested and found to fail—they have not been tested. We have to try the competition route, which should be given the chance to work under the new system. We have to make it work, rather than pretending that it has already happened and been found to fail.

Mr Wright: The hon. Gentleman makes an interesting point, but I would suggest that we have had more or less the possibility of open competition and certainly deregulation since the mid-1980s. I accept the point that perhaps that has not meant free and open competition and there may be barriers to entry because of the structure—the way in which the legislative framework has been put in place. However, looking at the examples from my constituency, I would suggest that there has been market failure and, as a Labour politician, I would suggest that where there is market failure, the state should intervene. The hon. Gentleman and I will possibly disagree in our analysis of the reasons for that, but certainly we would agree that there has been market failure. I will ask the Minister, in trying to respond to the issue of market failure, to consider a number of things.

Graham Stringer: I acknowledge the weight of my hon. Friend's remarks. Does he agree that where serious competition has taken place in Glasgow, Edinburgh, Preston and Manchester, where bus companies have set about competing with one another and where, in the short term, bus fares have dropped and there has been a conveyor belt of buses, the consequences have been worse congestion and pollution and then one bus company withdraws?

Mr Wright: That is one of the fears because of the way in which the bus market currently operates, with the dominance of four or five big players in the market. They have the bargaining power and, frankly, the cash to be able to hound smaller operators out of business. For example, in the north-east a number of years ago, a new and ambitious operator wanted to come into the market, but the big dominant operator of the time, which was Stagecoach, hounded it out by providing zero fares—free fares—at certain times. Stagecoach had the cash flow to be able to do that, so there is market failure, with domination by big players.

I hope that the Minister will respond to a number of points. I urge him to be bold when considering the Competition Commission's report on bus services. He needs to examine why there has been so little take-up of the quality contract partnerships introduced by the previous Government. I urge him to undertake further work to see whether such partnerships need to be made easier to operate and enforce. To help with that, the Minister should consider whether franchising of local bus services within an area such as Hartlepool could provide a better quality of service and ensure that local authorities can determine the priorities on behalf of their residents. The Government need to be bold and radical for the good of passengers in Hartlepool and elsewhere. I strongly believe that they should re-regulate the market to ensure that local bus services are run for the benefit of passengers and communities, rather than purely for shareholders.

10.17 am

Andrew Gwynne (Denton and Reddish) (Lab): I congratulate my hon. Friend the Member for Blackley and Broughton (Graham Stringer) on securing this very important debate, as I know that he has taken a keen interest in these issues for a number of years. I welcome the chance to contribute to the debate from the Opposition Front Bench. It is a pleasure to see you in the Chair, Mr Streeter.

On the specific issue of competition in the bus industry, we need to examine the deregulation of the buses to understand how we have ended up with the current situation. As my hon. Friend outlined, it is now 25 years—almost to the day— since the deregulation of the bus industry outside London. Of course, in London, Transport for London, which is accountable to the Mayor, specifies in detail which services are provided. It decides the routes, timetables, fares—everything down to the colour of the buses. The services themselves are operated by private companies through a competitive tendering process, but there is no on-road competition.

In the rest of the country, such as in the Greater Manchester constituencies that my hon. Friend and I represent, there is, in theory at least, a free market, so anyone can start up a bus service as long as they meet minimum safety and operating standards. Bus operators are practically free to run whatever services they like, charge whatever fares they like and, as we saw with the UK North debacle in Manchester, use whatever vehicles they like. Monitoring and regulation of reliability and vehicle cleanliness is largely minimal. Although it is supposed to be a competitive market, the majority of services are provided by just a few bus companies. As my hon. Friend correctly outlined, the vast majority of commercial services in my south Manchester constituency are operated by Stagecoach, in contrast to his north Manchester constituency, where the predominant provider is First. Local authorities will fill the gaps where there is an inadequate commercial service, and such local authority-funded routes are operated by private companies through a competitive tendering process.

My hon. Friend was right to raise concerns about how some of these big companies play the deregulated system. In 2004, before I came to the House, I was a local councillor on Tameside metropolitan borough council. Just before the general election in 2005, Stagecoach Manchester removed the well-used 375 bus service, which used to link Stepping Hill hospital in Stockport, Stockport town centre, Denton, Ashton town centre and Tameside general hospital. That service between the two district general hospitals was an important link for the communities along the route.

The route was commercially viable, making about £50 a week profit, but it was never going to make Stagecoach Manchester a lot of money. Nevertheless, it was a commercial service, it was commercially viable and it made a profit, albeit at the margins. However, Stagecoach decided to withdraw the service to the two district general hospitals, so that the route went only to Stockport and Ashton. Anyone who wanted to go to the hospitals had to get on another bus at Stockport bus station or Ashton bus station.

Stagecoach then decided to split the new service in two. The 375 became the 317A and the 317B. In the middle of the route, people had to get off one bus and wait for the next one to arrive. That made the service non-profit-making overnight. There was no change to the route, but splitting it in two meant that it was not commercially viable. Stagecoach therefore went cap in hand to the Greater Manchester passenger transport authority for not one public subsidy, but two. That highlighted loud and clear how Stagecoach Manchester

played the system, turning a service that was profit-making—albeit marginally—into two subsidised services, which is outrageous.

Across the country, the picture on deregulation is mixed. In some areas, services have undoubtedly improved, as we heard from the hon. Member for Hove (Mike Weatherley), and some bus companies have invested in new bus fleets. In many areas, however, it is fair to say that deregulation over the past 25 years has resulted in a much worse service, which costs taxpayers and passengers alike much more. Figures produced by the Passenger Transport Executive Group on behalf of the passenger transport executives in the six metropolitan conurbations outside London show that bus fares have increased by 94% in those areas in the years since deregulation, while the number of those using buses has fallen by 46%. In some PTE areas, the decline has been even greater, with ridership down by 65% in South Yorkshire since deregulation.

Deregulation has had a number of other negative knock-on effects. It is much harder for local authorities to put in place long-term bus networks or to properly integrate bus services with other transport modes, such as rail and light rail, particularly where those services are operated by competing businesses, as in north Manchester, where, until recently, the trams were operated by Stagecoach and the buses were predominantly operated by First. As my hon. Friends have said, deregulation also makes it much more difficult to provide a competitively priced multi-modal ticketing system like the London Oyster card.

One of the more worrying aspects of the changes is the effect on socially necessary bus services, as we heard from my hon. Friend the Member for Hartlepool (Mr Wright). There has been a gradual reduction in off-peak and lifeline estate services, with more focus on more profitable major bus routes. In a market-driven environment, commercially driven bus operators will of course concentrate more on the more profitable commuter routes and less on socially necessary services. With the scope for cross-subsidy removed, the cost of the diminishing subsidised network has increased massively—

The Parliamentary Under-Secretary of State for Transport (Norman Baker): It is 10.24.

Mr Gary Streeter (in the Chair): Order. The debate continues until 11 o'clock. Continue.

Andrew Gwynne: With many bus services used disproportionately by people on lower incomes and by those without access to a car, the socially excluded are worst hit by service reductions. For example, two out of every five jobseekers say the lack of transport is a barrier to getting a job.

When considering bus services, we really must take account of the policies being implemented by the current Government. Many of the cuts are happening not by chance, but by choice. The Government have made a number of critical decisions that I do not just fear but know will have a real effect on bus services. First, as my hon. Friend the Member for Blackley and Broughton said, there is the 28% cut to local authority funding for local transport, which includes money for subsidising unprofitable bus routes. Support will be reduced by £95 million between 2010-11 and 2011-12.

Secondly, the Government are changing the way councils and bus operators are reimbursed for the concessionary fares scheme for older people, taking £223 million from the scheme between 2010-11 and 2011-12. Thirdly, from January 2012, they are reducing by a fifth the rebate for additional fuel costs for running unprofitable bus services, and that will particularly affect rural areas, as my hon. Friend said. That will take away a further £254 million in support for bus services between 2010-11 and 2011-12.

We are already seeing that these changes mean the end of council-funded rural, evening and weekend buses in many parts of the country. With rising costs, the need to maintain profit margins and the state of local budgets contributing to fare rises, the changes will largely mean service reductions in some of the most isolated parts of the country.

When the Prime Minister made his election pledge to protect free bus travel for pensioners, or at least to protect their passes, he did not tell them that, in doing so, he would take away their bus services instead. The sad fact is that the situation on bus cuts is likely to get worse. Forecasts by PTEG show that, by 2014, fares will have increased by a further 24% in real terms in metropolitan areas, while service levels will decline by 19% and patronage will decline by 20%.

Mr Andrew Turner: It is interesting to look at what the Prime Minister said before the election. In my constituency, at least some pensioners would rather pay half fares than face the possibility of having no buses at all. They would like to pay their bit on the buses.

Andrew Gwynne: Indeed. In places such as Greater Manchester, there was a long-standing concessionary fares scheme before the national bus pass scheme was introduced, and pensioners paid a small amount. Under the bus pass scheme, the concessionary fare was available on peak services until it was removed this year—in the peak period, pensioners now have to pay the full fare. My constituents make the same point as the hon. Gentleman's and would sooner pay something than lose their service altogether. It is clear that all parties at the last general election pledged to protect the bus pass, but there is no point people having that bit of plastic if they do not have the buses to use it on.

The situation is already bad, but it will undoubtedly become increasingly difficult to maintain current service levels when spending reductions deepen in successive years. In non-metropolitan areas outside London, there have been significant cuts to supported bus services, with some local transport authorities withdrawing funding from all such services, and we have heard first hand about the appalling situation in Hartlepool.

Let me turn briefly to the level of competition between the bus companies. As we know, the Competition Commission is investigating the local bus market and published its provisional findings in May this year. Its provisional findings included the view that profits are higher than they would be if the market were competitive and that too many operators face little or no competition in their areas. The competition authorities recently looked at tactic co-ordination between bus companies, and that has certainly raised a few questions about how truly competitive the bus industry is. The interim report also found that short-term bus wars on the streets, such as we experienced a few years back in Manchester, when

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the big bus companies used an extremely aggressive approach to drive out the smaller competition and secure their monopolies, were not the way forward, and that more should be done to facilitate multi-operator ticketing. Although we await the full report later this year, the interim report makes interesting reading and helps to inform our debate today.

Of course it was the previous Labour Government who set the ground for improvements to be made to local bus services. We set in progress ways of tackling some of the worst effects of deregulation. Indeed, quality contracts—or the provision for them—were introduced by the previous Government as a key to improvements in bus standards. In hindsight I think that our party would like to have gone further with those improvements to service provision for passengers, and with the implementation of quality contracts. Certainly, those contracts could allow bus companies to concentrate on developing the local market for bus travel, but it is understandable, given the points that have been raised by my hon. Friend the Member for Blackley and Broughton, and given the burden of risk on local authorities as opposed to the bus companies, that those measures have not been pursued as vigorously as they should have been. Quality contracts would help to set minimum standards, making it possible for them to be more stable, with less frequent changes to fares, times and frequencies. In turn that would help bus services to be more reliable, because they would be monitored and good performance would be incentivised.

It is fair to say that the current set-up does not always benefit the passenger, and we need to consider other ways of making our local buses work more effectively. We need to think about ways of addressing the issues that have been raised today, and ways of empowering local authorities and communities, allowing them more of a say in the way their bus services are run, and what the routes should be. Perhaps we need to look at ways to make it easier for passenger transport executives and local transport authorities to enter into voluntary partnerships, statutory quality partnerships and a more balanced quality contract system. That could allow for a system of franchising bus services to local transport authority specifications, similar to the system used to provide bus services in London, allowing a service that is responsive to what passengers want and reintroducing some long-term planning to the system.

I want to ask the Minister what consideration the Government have given to allowing local authorities more powers over local bus services. What assessment has the Minister made with regard to quality contracts? Does he view them as a way to set minimum standards and to make service levels more stable and reliable? What assessment has he made of the greater powers that Transport for London has over local buses and the performance in relation to bus services in London, as compared with what happens outside London, particularly in major conurbations, although the problem is not exclusive to big cities, but also exists in large and medium-sized towns and rural areas?

There is clearly a wider debate to be had about the way we look at restructuring our bus industry. Deregulation has largely failed, and that has been recognised in the debate. We need to think about restructuring our bus industry. I am sure that the discussion we have had today will help to inform the ongoing debate.

10.33 am

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I thank the hon. Member for Blackley and Broughton (Graham Stringer) for raising this important subject and doing so in his usual measured and thoughtful way. His knowledge is considerable, as I discovered when we served in Committee on the Local Transport Act 2008. I am delighted to have rather more time than I thought I might to respond to the debate.

The Government are committed to supporting local bus services and markets through concessionary travel reimbursement, direct operator subsidy and our funding of local government. However, as I have made clear before, with those significant amounts of public expenditure invested in the bus market, it is only right to consider whether it is delivering the best service for bus passengers and best value for the taxpayer. The Competition Commission has identified, in its provisional findings, aspects of the local bus market where competition is restricted, prevented or distorted. That cannot be good for passengers if it means that they enjoy less frequent services and have to pay higher fares as a result. If that in turn means that fewer people are able to make use of their local bus, and instead have to travel by other means or cannot travel at all, that has wider, and unwelcome, societal and environmental impacts.

Of course, bus markets are local in nature. Many of the effects will be localised, and I have encouraged the Competition Commission to set out where and in what circumstances it believes competition is failing to materialise. It is important that it should be specific in its comments in the final report. One of the concerns raised by the Competition Commission, which I share, relates to profitability—a point raised by the hon. Members for Blackley and Broughton and for Hartlepool (Mr Wright). Excess profitability is an important indicator of ineffective competition. Evidence commissioned by the Department for Transport suggests that profits are particularly high in the largest metropolitan areas, so I have asked the commission to consider whether it can identify specific areas where ineffective competition is most prevalent. A key test of potential remedies will be whether they result in more people travelling on buses and bring about wider benefits to society by helping to create growth and cut carbon emissions.

The inquiry is ongoing, and with representatives of local government and passenger and bus operators, my Department continues to engage with the commission as it prepares to publish its provisional remedies later this month. Hon. Members will understand why I do not propose to anticipate those remedies in my remarks today: it is important that we let the commission, as an independent body, come to its conclusions on the basis of the evidence placed before it. However, I will take this opportunity to respond to the points raised during this debate.

The Local Transport Act 2008 made changes to the provisions of quality contract schemes and partnerships and introduced new forms of legal partnership working. It came into force only in 2009, and the Competition Commission has indicated that quality contracts and

quality partnerships may be remedies for the competition problems that it has identified. It is therefore sensible to wait for the final outcome of the inquiry at the end of the year before deciding whether further changes to the regulatory regime are needed.

The hon. Member for Blackley and Broughton asked about the coalition policy as it relates to the 2008 Act. It is on the public record and therefore no secret that the two coalition parties, when in opposition, had differing views on the Act. The Conservatives were more sceptical about the value of quality contracts than were the Liberal Democrats. When the coalition was formed, the decision was taken that, as the process was already under way, the sensible course of action was to wait for the Competition Commission to analyse the market and produce its findings, so that we could proceed on a sound basis, free of prejudice, relying on proper analysis and collated evidence. That remains the position. I do not accept that that is agnosticism—the term used by the hon. Gentleman. It is a sensible decision to wait for the evidence, at which stage we shall analyse it internally and decide what action, if any, we should take in response to the findings of the commission. That process is under way in relation to the structure and landscape of the market.

The hon. Gentleman no doubt expects me to make the point that the landscape about which he and his colleagues complain is largely the one that their party's Government created, which we inherited. He and the hon. Members for Hartlepool and for Denton and Reddish (Andrew Gwynne) will also be aware that it is on the record of the Local Transport Bill Committee that, had the amendment that I tabled been accepted, many of the actions that Opposition Members now ask for would be unnecessary—the measures would already be law. We did not make more progress at that time because of the then Government's reluctance to go further.

Before the Competition Commission report is published, however, I want to encourage joint working between bus operators and local authorities. We have seen good results, with local authorities and operators working effectively in partnership to improve bus services in places such as Birmingham, Brighton and Oxford.

My hon. Friend the Member for Hove (Mike Weatherley) and I are lucky in having good bus services in our area. I too pay tribute to Roger French, who has been most effective in driving up bus patronage. He has shown that it can work and that the moaning Minnies who say that bus patronage is going into decline are wrong, as the examples of Brighton, Hove and other places prove. My hon. Friend complained about the effective monopoly that operates in Brighton and Hove and the difficulties faced by the Big Lemon service; he clearly wants to give the Big Lemon aid in some form. The monopoly of which he complains is not terribly different from that which the hon. Members for Hartlepool and for Blackley and Broughton complained about. One operator having an 85% to 90% market share inevitably makes it difficult for other companies to enter the market, and it can be difficult to challenge. My hon. Friend is right to say that the cost of fuel does not relate to the route on which it is used and that differential pricing is clearly a result of competition along those routes. The absence of competition clearly enables Brighton and Hove to charge a higher rate for its bus services. That is a striking example, but I shall ask my officials to ensure that the entire report of our debate is passed to the Competition Commission so that it can see what has been said and take it into account, albeit quite late in its deliberations.

I want to encourage more of that sort of partnership activity so that bus passengers get the services that they deserve and expect. More partnerships need to tackle punctuality, which is the No. 1 priority for passengers and which can be compromised by any number of issues, from road works to poor planning. It is not clear whether the 81% punctuality figure referred to by the hon. Member for Hartlepool was the result of a failure of the bus company or of, for example, congestion, which is a problem for the local authority. Punctuality is not a matter only for the bus companies; there is also a local authority aspect. That demonstrates the need for authorities to be fully involved and to work sensibly with bus companies in their areas.

The Government are looking for operators and local authorities to work in partnership, sharing punctuality and traffic management data to benchmark and improve performance. To facilitate this, a significant number of Vehicle and Operator Services Agency examiners are being trained to engage proactively with operators and local transport authorities to ensure that proper procedures and lines of communication are in place. That new approach is being introduced gradually and has been in place in the north-west since June. I assure hon. Members that traffic commissioners will continue to take effective enforcement action when performance is poor, and that any lessons learned from the north-west will be absorbed before full roll-out takes place. The hon. Member for Hartlepool may want to contact his local traffic commissioner if he is concerned about punctuality in his area.

As the hon. Member for Blackley and Broughton said, another important concern for passengers is integration, especially in fares and ticketing. I share his view that what he described as a simple fare and ticketing structure, with through-ticketing, can be effective in driving up passenger numbers. I absolutely agree and the Department is focusing on that aspect. My vision is of seamless end-to-end journeys, with tickets being available at a decent price and being valid on all services in a city, not only those of the dominant operator.

I shall continue to encourage the development of integrated multi-operator ticketing schemes, and my officials are actively engaged with the Competition Commission and bus operators in helping to remove barriers to their successful implementation. I firmly believe that bus tickets should be valid with more than one operator, but they should also be valid over much wider areas and easy to use. That will be of clear benefit to passengers. That is why I am committed, with operators and public sector bodies, to delivering the infrastructure necessary to enable most public transport journeys to be undertaken using smart ticketing by December 2014.

In many places, including in Greater Manchester and other large metropolitan areas, smart ticketing is already being introduced by local authorities and major national bus operators. It is fuelled by the smartcard incentive offered by the Government through the bus service operators grant and other pump-priming schemes that we have offered since the election. The hon. Member for Blackley and Broughton referred to the use of BSOG, saying that there was a better way of targeting it. If I

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understand him correctly, he believes that it may be more effective to hand it to local authorities to be used for general transport uses. However, it is difficult to square the complaint that the money being made available for buses is diminishing with the argument that what is available should be deployed for wider transport purposes.

Graham Stringer: I apologise to the Minister if I did not make my position clear. I suggested handing the money to PTEs and local transport authorities, not for general transport use but for the targeted improvement of bus services. It should be used to help particular bus services, not for other transport schemes.

Norman Baker: I am grateful to the hon. Gentleman for that clarification; he wants the money to be ring-fenced for bus services.

My right hon. Friend the Secretary of State has asked me to initiate a review of BSOG to see whether it is deployed to the best advantage. As far as possible, our time scale is designed to coincide with the Competition Commission report, so that if changes are necessary to the landscape of the industry or to that form of financial help, things could be combined at that stage. To that end, I have been in discussion with the industry and local authorities to hear their aspirations and views on the matter. I shall try to come up with a solution that is satisfactory for both parties—I shall then go on to deal with the Israel-Palestine problem. I hope that we might make some progress. It is in the interests of local authorities and bus operators to come to a sensible arrangement on BSOG.

We understand that good bus services can contribute to both of the Government's key transport priorities—creating growth and cutting carbon emissions. By providing an attractive alternative to the car, not only can we cut carbon but we can unclog the congestion that chokes off our local economies. However, it must be remembered that we also have to deal with the budget deficit.

I do not want this to be a sterile debate—a phrase used by the hon. Member for Blackley and Broughton—about why we are where we are, but I have to respond to the comments of the hon. Member for Denton and Reddish, the Opposition spokesman. It would have been helpful if he and his colleagues had acknowledged some responsibility for the financial situation in which we find ourselves, rather than pretending that the cuts are somehow malicious and optional, and could have been avoided. That is not the case. I would like to think that we could work across the House to ensure that the impact on bus services is minimised in the constructive way suggested by the hon. Member for Blackley and Broughton.

I shall deal briefly with the three elements of funding referred to earlier. About 80% of bus services are run commercially. I will leave aside questions about the consequences of that for the market and for local government support. The money from the Department for Communities and Local Government is not relevant to those services. At present, local authorities rely on BSOG. The reduction in that grant was trailed long in advance, at the time of the spending review, and it will not take effect until April next year. There has been an 18-month lead in, and the cut was much less than the bus industry anticipated—and much less than Members of Parliament expected. At the time, the Confederation of Passenger Transport, which represents the bus industry, indicated that the cut was manageable and could be introduced without a diminution of services or general fare increases. That is what it said. It is important to point out that bus companies can take the BSOG arrangements in their stride. That should not, therefore, lead to cuts in services.

The basis of the reimbursement arrangements has not changed one iota. The hon. Gentleman will know that primary legislation stipulates that bus companies should be no better and no worse off from handling concessionary travel. That legislative requirement has not changed, and local authorities are required to reimburse bus companies accordingly. All that has happened is that the Department for Transport has issued some guidance to help local authorities to calculate how they should reimburse bus companies, and that, as Members will appreciate, is quite a complicated business. The ultimate test remains the same. If bus companies are unhappy with the reimbursement they have received from a local authority, it is open to them to appeal and their case will be handled independently.

One of the changes that I have made is to ensure that, if there is an appeal, it is possible for a local authority to win. Hitherto, when bus companies have appealed, their contribution has either been reduced or it has stayed the same. Now the appeal process can assess whether local authorities have had to pay too much and reduce the costs to them. That seems to be a much fairer way of dealing with those matters. The appeal process is open, fair and independent and can deal with any complaints that people have.

As for cuts in funding to local authorities, we all accept that local authorities have a challenging settlement. That is particularly the case, may I say for the benefit of the Member who has disappeared, for rural areas and for those services that are supported by local authority funding because they are not commercial to run. Having said that, the pattern of responses from local authorities across the country is varied. Unfortunately, some councils have taken something of an axe to local services, while others have made very few cuts. That is a matter for localism. It is up to local councils to exercise their increased freedom and to decide how they are going to spend their pot of money. We will increasingly see a situation in which one person living in an area will say, "Why is it that my county council has cut these bus services when the county council next door has not cut bus services at all?" That is a perfectly proper question to ask and one that we are trying to encourage in our drive towards localism.

Mr Andrew Turner: Will the Minister consider the wish of some elderly people, in areas where buses have been withdrawn altogether, to make a contribution? At present, the system is no buses, no pay.

Norman Baker: I well understand why my hon. Friend made that point, which has been made by a number of others. All I can say is that the Prime Minister has made it clear that the concessionary fares regime for local bus travel is not to be compromised and that requiring a charge would do just that. All I can undertake to do is to ensure that my hon. Friend's comments are passed up the chain so that others are aware of that view.

The hon. Member for Blackley and Broughton mentioned the monitoring of cuts. Let me assure him that we are taking steps to establish the picture. I have asked my officials to do so on a rolling basis. We are checking where services are being significantly cut and where they are being protected. Ultimately, it is a matter for localism, but we have to understand what is happening.

The hon. Gentleman failed to mention the introduction of a £560 million grant, a significant amount, from the local sustainable transport fund, which can be used to drive up the number of bus services in a particular area as part of an integrated package to create growth and cut carbon. That has been well received. If we take the total package of measures under the loose heading of sustainable travel, the £560 million represents an increase in funding compared with what was available under the previous Government. Therefore, despite the difficult economic circumstances and the budget cuts that have taken place, we have made an increase in funding, which has been well received by councils. Every council that could qualify under that scheme, with the exception of the Isles of Scilly, has applied for funding. We had a good first round. I am happy to say that, in Manchester, the key component bid was approved, which is a cycling project for the city. Moreover, a large project from Manchester has applied for a significant amount of money and it has been shortlisted for the final approval process. Therefore, steps are being taken to address the issue of sustainable transport more widely as well.

Graham Stringer: I am not sure whether the Minister is referring to the cross-city bus scheme in Greater Manchester. If he is, will he agree to have a meeting with me to discuss it, because the scheme is not as good as it could be and it is not well thought out?

Norman Baker: I am happy to say that I was referring to an entirely different amount of Government funding that may be forthcoming depending on the outcome as regards the local sustainable transport fund. However, I am happy to meet the hon. Gentleman to discuss the particular scheme. He just needs to contact my office to arrange a time.

I am interested that both Conservative and Labour Members have indicated unhappiness—perhaps for different reasons—with the present arrangements in the bus market. Their comments are useful and timely given the nature of the Competition Commission inquiry and its report. I will pass on to the commission a copy of the transcript of this debate from *Hansard* so that it is aware of the comments that Members have made. I will continue to study carefully the representations not just from hon. Members but from people outside to ensure that we proceed in a sensible way.

Graham Stringer: The Minister is being generous with his time. Both he and I have had a lot of time in this debate because it has not been as well attended as it might have been and that is because it clashed with the Transport Committee, so some of the hon. Members who would have been most interested in contributing are on duty elsewhere. Mr Streeter, I wonder whether we could tell Mr Speaker that this has happened and in future scheduling of these debates, we could look to avoid such clashes of obvious interest.

Norman Baker: That is not a matter for me, but the comments have been heard and will no doubt be passed on.

The hon. Member for Denton and Reddish mentioned the situation in London. He was advocating that the powers that are held by TFL might be extended to the rest of the country, which would be quite a change in the arrangements. I am not quite sure whether that is official Labour party policy. If it is, I am interested that he has put it forward today. Although his argument interests me, it is not quite the panacea that some people think. For example, when competition started in Manchester, we heard how there were queues of buses down the main street. I have to say that we get queues of buses in London, many of which are empty, because they have, in some cases, been overprovided, so similar problems arise with one operator—TFL. It is also the case that London buses are much more expensive to run overall and there is quite a cost to the public purse. Although I am not negating the argument in total, I am just making the point that counter-arguments have to be taken into account when we consider the landscape after the Competition Commission has reported.

To conclude, buses matter to this Government. My focus is on ensuring that the right funding and regulatory framework are in place to ensure that passengers receive the best possible service, and that taxpayers receive the best possible value from public expenditure.

Care (Older People)

10.59 am

Tracey Crouch (Chatham and Aylesford) (Con): Thank you very much, Mr Streeter, for calling me to speak. It is a pleasure to serve under your chairmanship for, I believe, the first time, which is an honour.

I am grateful for the opportunity to hold this important Adjournment debate on care and services for older people. As part of the younger generation of MPs, I am proud to initiate a debate on a subject that I hope will be of interest not only to those who are in their third phase of life but to the next generation and to the generation after that who will one day find themselves in need of care and services. The statistics show that those of us who are in our thirties will fuel the ticking time bomb that is the ageing population, so it is incumbent on us to try to provide solutions to meet this challenge.

My initial interest in care for the elderly stemmed from my late grandmother, who worked in community care for much of her life. She strongly believed, as I do, that people want to live in their own home and community for as long as they can physically do so, and that the delivery of certain services can prevent people from entering residential care, which benefits both them and the state. It was with that in mind that I chose such a wide-ranging title for this debate. It is very easy to focus entirely on the issue of funding care, but there is more to looking after our older generation than the issue of how to pay for their care. Services for older people, whether delivered by volunteers, charities or local authorities, also need our attention if they are to be developed and improved.

I want to start, however, by expressing my very strong support for the campaign to appoint an older people's Minister. I believe that if that post had a cross-departmental remit, as there is for equalities or for women and equalities, it would be of huge value to the Government. Some of the issues to which I will refer do not fall within the portfolio of the Minister of State, Department of Health, the hon. Member for Sutton and Cheam (Paul Burstow), and although I have the greatest respect and admiration for what he is doing to improve social care, he is not responsible or accountable for issues such as transport policy, local authority spending or the provision of financial products and education.

Having said that, if the Government maintain their opposition to the creation of another ministerial post, perhaps they would consider two other options. First, we could establish a new Cabinet Committee on older people's issues that would effectively scrutinise emerging policies. Secondly, we could consider introducing a new test within regulatory impact assessments that would specifically examine the effect of proposals on the over-65s, as other tests do for other defined sectors of society. We need to pay much closer attention to the impact of national Government policies on the older generation, and I believe that a Minister for older people or a new Cabinet Committee would help to do that. However, there should also be a far greater assessment of the impact of policies at local level and I would welcome the Minister's views on that matter when he responds to the debate.

The publication of the report of the Commission on Funding of Care and Support—the Dilnot report—was welcomed as a much-needed examination of how to fund care in the future. It is an accepted fact that we are all living longer and that our care needs are greater but that funding in social care has not increased by anywhere near enough to match our requirements. Significant demographic change is not something that should surprise us—it has been predicted for many years—yet the long-term care system has remained unreformed. Dilnot's findings are very sensible, and hopefully they will achieve the better and fairer funding system that we need. However, there are some questions that arise from the report that I hope the Minister will address.

The Commission set out a reasonable timetable for the implementation of reforms. If we are to begin a new programme of funding, one that should perhaps be aligned to some of the other changes affecting future pensioners, we need to ensure that legislation is passed soon. It may be brazen for me to say so as a new MP, but Governments of all colours appear to be adept at pushing difficult issues into the long grass and waiting for the next Government to address them. We are seeing that at the moment on public sector pensions, which is another ticking time bomb issue that was ignored for decades; dealing with it now will cause more pain than if it had been dealt with sooner. We must not let the funding of social care become the next big but continuously ignored problem.

With that in mind, I should be grateful if the Minister provided us with an update on the public consultation on the Commission's proposals and told us when he will publish the White Paper on social care. Does he expect a Bill on this issue to be included in the 2012 Queen's Speech and will implementation of changes to funding begin in 2013, as per the Commission's timetable? It would help all of those who are involved in delivering care and those people who are planning for their retirement if we received some clarification at the earliest opportunity about the timetable for implementing the Commission's proposals.

The Dilnot report rightly focuses on the issue of financial advice, guidance and product availability. It is estimated that about 130,000 people enter residential care each year. Under the current system, around 41% of those people are self-funders—in other words those who have assets exceeding £23,250. The increase in the threshold will raise that figure to £100,000, but given how much wealth is tied up in fixed assets such as housing, that will not necessarily change the numbers dramatically.

I am concerned that self-funders deplete their assets paying for care and end up becoming reliant on local authorities for future care funding. Earlier this year, the Local Government Information Unit estimated that a quarter of all self-funders fall back on the state, costing local authorities up to £1 billion per year. The unit's own report indicates that key decision makers in councils are unaware of the problem or underestimate its cost by 50%. I was shocked to read that 61% of authorities did not know how many self-funders they have or how many self-funders fall back on state funding.

While we need to improve local authorities' understanding of funding liabilities, it is also clear that those who are in a position to fund themselves need much better financial advice and planning to mitigate the premature exhaustion of funds. Dilnot mentions the variety of financial products that are available, and I should say at this point that although I entered Parliament

after working for an insurance provider I have no registered interest in the sector. Nevertheless, from my time in the industry, I think that it is fair to say that there is an appetite for providing products in this area, but the market is not as wide or as competitive as it could be.

I recently met representatives of Partnership, a provider of immediate needs annuities, which is a product to which Dilnot refers to in his report. Like the Dilnot report, Partnership made it very clear that there is a need for improved advice and education. Raising awareness of long-term care needs is essential, not least because people's expectation is that when they get old they will be looked after for free. I am not convinced that the Dilnot report changes that expectation. Although care costs will be covered, the so-called "hotel costs" of food and board will not be covered, so we need to improve individuals' understanding of what they will be required to fund themselves.

David Simpson (Upper Bann) (DUP): I thank the hon. Lady for giving way and I congratulate her on securing this very important debate. I have not read the Dilnot report, but I understand that it indicates that we may have to increase taxes or cut public spending to provide care for senior citizens. All right-thinking hon. Members will agree that it is paramount that we provide that care. I may have misunderstood the hon. Lady, but is she suggesting that we should consider having some form of insurance policy to provide for future care rather than increasing taxes or cutting public spending?

Tracey Crouch: I am suggesting that we need to look at various ways to fund care in future. I believe that a market exists for this type of care insurance. There are people who can afford to take out such insurance, but they do not necessarily know that there are products out there that could prevent them from having to fall back on the state. For example, they could afford to take out a premium. It may be a hefty premium at the outset, but it could prevent them from draining all the assets from their home and then relying on state funding for residential care. Such insurance policies are certainly an option that we should look at, and indeed Dilnot himself looks at the financial services sector as one that could relieve some of the burden on state funding.

Rehman Chishti (Gillingham and Rainham) (Con): I congratulate my hon. Friend on securing this debate. With regard to the use of resources, we have looked at taxation but we must also look at Medway council, which is the local authority that she and I share and which was rated "excellent" in its use of resources by the Department of Health. Rather than increasing taxation, local authorities have a key obligation to ensure that resources for the elderly are available and are funded. For example, in Medway there is free swimming for the over-60s, concessionary bus fares start at 9 am rather than 9.30 am, and home library services are available for the elderly, so this issue is not simply about increasing taxation; it is about making better use of resources. Medway has done so and it is rated "excellent" by the Department.

Tracey Crouch: Indeed. This issue is about using resources wisely. However, it is very well discussing how resources are used now, but the problem lies in the future. At the moment, one in six people are over 65, but by 2050 one in four people will be over 65, and resources will only be able to stretch so far.

We spend a lot of time—rightly so—talking about financial education for young people, but I am enormously sympathetic to the suggestion that we should consider providing free financial health checks for people in their 50s and early 60s, possibly funded by using unclaimed assets in banks and insurance companies, and possibly delivered by financial advisers, charities or through the new money advice service. The provision of good quality care is an emotive matter for all involved. Standards of care, and indeed of care homes, differ dramatically, not just across the country but across constituencies. I recently visited Amherst Court in Chatham, a purpose-built Avante Care and Support home that supports residents with dementia. I was really impressed with what it offered and could tell that a lot of thought had gone into the building and the care provision. Such quality, however, has to be paid for, and unfortunately not all residential homes offer the same standards. When homes close, sometimes because the buildings are no longer fit for purpose, there can be uncertainty for residents and their families. It is that postcode lottery of care that we need to mitigate as best we can through the consideration of our long-term care requirements, which is why one policy that we need to get absolutely right for the benefit of our elders is the one on building more homes.

We have a massive housing shortage in the UK, but it is the older generation who have the least choice as to where they live. If they decide to downsize from their family home, they find that there are few bungalows or smaller houses being built. There are not many purpose-built retirement complexes, whether flats or houses, and any new development with social housing rarely, in my view, considers the needs of the elderly.

Jim Shannon (Strangford) (DUP): There is a great focus on residential homes, but does the hon. Lady feel, as I do, that there should be a greater focus on letting people stay in their own home? They feel more confident there, and it is cheaper. I think that if they had a choice, a great many people would rather be in their own home than in residential care.

Tracey Crouch: That is precisely my point, and I hope that it will be the key theme to emerge from my speech. Homes must provide good-quality care for people who have to go into residential care, but we need to try to keep people in their own home for as long as possible. My late grandmother certainly believed, as do I, that if good-quality services can be provided people will have to rely less on expensive residential care, and we should therefore provide a greater choice of available private homes. Not many bungalows are being built, because their capital value is not that of a seven-storey apartment block on the same land, which poses a problem for our older people, who then have the choice of staying in their family home, which is incredibly expensive to heat and often impractical, or of moving into residential care.

We want to rely less on the state to fund our residential care, and it seems logical to put greater emphasis on ensuring that new developments have as much of a duty to provide for older people as for other younger sectors of society. The issue of choice extends into the social housing sector too. In my constituency, a few areas of social housing are allocated to the over-55s, but there is a huge difference in the lifestyles of 55-year-olds and

[Tracey Crouch]

75-year-olds, which often leads to antisocial behaviour problems. I doubt that many people would consider 55 to be old, and therefore we perhaps ought to consider revising the age allocation up, to the over-65s.

I am pleased to say that Kent Housing Group, which is a partnership of developers and local authorities across the county, is looking precisely at housing for older people, and I look forward to seeing the outcomes of that work soon. However, I fundamentally believe that there is a role for the new homes bonus, which could incentivise authorities to build bungalows or complexes for older people and lead to much more housing choice for those who wish to stay out of residential care. That could be one policy that would have a positive impact on the welfare of older people, and it would also benefit the Treasury by keeping people out of the more expensive residential system.

The funding of social care might be the hardest single problem to overcome in this policy area, but we often forget that the services side is equally, if not more, important. Good delivery of services can prevent people from needing to enter residential care, or from staying in hospital longer than the average patient. We have some excellent charities and volunteers who provide an essential community service, and they can be vital to the health and well-being of the people they look after. As brilliant as individual schemes are, however, our overall community service for the elderly needs to be much better. I heard a heartbreaking story from the WRVS about a lady whose light bulbs broke. She was unable to fix them herself, and so for a month she sat in the dark. As she used her television for light, the electricity company noticed that her bills were unusually high, contacted her and discovered what the problem was. A WRVS buddy was sorted out, and her light bulbs were changed, but it took a month and a concerned utility worker to alert others before she was helped. In these modern days of instant connectivity, I find such isolation utterly unforgivable.

Penny Mordaunt (Portsmouth North) (Con): I congratulate my hon. Friend on securing this debate. Does she think that when we are considering Dilnot and the future funding of care, we need to look not just at the baseline and at our well-recognised ageing population, but at the unmet need to which she has just referred? In Portsmouth, for example, which is a fairly compact city, we have 1,000 people with dementia who have no access to services.

Tracey Crouch: We need to improve the services available for different people with different needs as they age. I am vice-chair of the all-party group on dementia, but I decided not to talk specifically about dementia today because I am hoping for a future opportunity to do so. There are, however, some very good services. They are very localised, but often people do not know about them. For example, the wife of a constituent of mine who happens to be a good friend, has just been diagnosed with dementia. He found out about the excellent Admiral Nurses service by word of mouth; there was no one there to signpost him to it. He could have been provided with a hugely valuable service at the outset of his wife's diagnosis. We need fundamentally to improve services across the country.

The Centre for Social Justice has produced a report, which I highly commend and which is entitled "Age of Opportunity: Transforming the lives of older people in poverty". The report states that more than 1 million people aged 65 and over feel lonely, and a similar number feel trapped in their home. Charities can do so much but, as the CSJ says, there is a fundamental role for the state in preventing such isolation. So many older people are already known to statutory bodies, so providing the link to charities is essential. The CSJ recommends a greater role for neighbourhood policing teams, in engaging with extremely isolated older people, and the extended use of the increasing number of health visitors. Those are sound recommendations, which would help to deliver a new relationship between the voluntary and public sectors, and also reduce social isolation.

The authorities and partnership organisations to which I speak are desperate to provide good services, but they are hampered by finances. Although we have to be realistic about the need to make efficiency savings across various services in the short term, that needs to be balanced by an understanding that good-quality services can benefit public finances in the long term. Keeping retired people active, for example, keeps them healthy and less in need of acute primary care. Helping those nearing retirement to plan financially prevents them from draining their assets before falling back on the state. Providing company for people in social isolation not only enriches their lives but improves mental and physical well-being. Good-quality housing designed for the older generation provides greater choice for people wishing to remain in their communities. All those areas are interlinked, and better delivery could save the state a significant amount of money in the long term, but for the people who need care we must ensure that it is of good quality and sustainable for our ageing population, but also fairly funded.

If we are to improve the standard and delivery of care and services for older people we need to deal with this issue today, and I urge the Minister not to let it get kicked into the medium or long grass, and to consult on and implement reform of the system as soon as possible, for the benefit of this and future generations of pensioners.

11.19 am

Jack Dromey (Birmingham, Erdington) (Lab): It is a pleasure to serve under your chairmanship today, Mr Streeter. I congratulate the hon. Member for Chatham and Aylesford (Tracey Crouch), both on securing the debate and on the sincerity that shone through in her contribution. I strongly agree with a number of the points that she made.

During the summer, I addressed a meeting convened by the Birmingham branch of Carers UK—an outstanding organisation nationally and in Birmingham. What shone through was that there is no more noble cause than caring. At that meeting, 200 were present, including people who were cared for, carers and the organisations that support them. Deep concern was expressed on two fronts, the first of which relates to an issue that we are not here to debate: the cuts to benefits and the work being done by the Hardest Hit coalition, which includes the Royal National Institute of Blind People, Mencap and others. The second issue relates to the growing crisis in social care. In one sense, the crisis is the consequence of a good thing—people are living longer—but

there are undoubtedly two major problems. One, I agree, is that successive Governments have failed to implement a long-term solution to the growing crisis in social care. The other is the impact being felt now of cuts in public expenditure. The Government are going too far too fast, and that is having an increasingly serious impact on the most vulnerable in our society.

Looking to the future, the Dilnot review offers a new dawn. Its recommendations have been widely welcomed across the political spectrum. As we move towards implementation, it is key that Dilnot is fully funded and that its recommendations in respect of eligibility are carried through, so that what happened in Birmingham—I will say more about that later—never happens again. I agree strongly with the hon. Member for Chatham and Aylesford that its recommendations must be acted on as soon as possible. She is right that there has been a propensity in the past to kick such issues into the long grass. That cannot be the case in future. I sense that, across the spectrum, there is a desire in the House for the Government to act as soon as possible. They will unquestionably have the full support of the Opposition if they do.

Margot James (Stourbridge) (Con): I share the hon. Gentleman's enthusiasm for enacting the Dilnot report in law as soon as possible, but I have reservations about whether we should enact it in full as recommended. To give one example of my concern, does he agree that the £50,000 cap above which nobody should have to pay out of their own purse for long-term care or personal care at home might represent a large proportion of some people's savings and assets, but that for home owners in the property-rich markets of the south-east, it might represent a small proportion? I am concerned on that and various other points. We should not rush but should subject Dilnot to proper critical investigation.

Jack Dromey: I accept that some of the issues that Dilnot identified will have to be worked through, but I think that there is a broad welcome for Dilnot ending what has caused so much grief in the past. People have had to sell their homes. People who spent their lives hoping to pass on wealth to their children have found in the twilight of their years that that is not possible. We can have an intelligent debate about the detail of Dilnot, but the cap is welcome. The sooner we implement Dilnot, the better. The problem is that, even if everyone gets a move on, that might be some years away, in which case we must address the here and now during the next two to three years.

WRVS has done excellent work in the field, and has said rightly that the Government must both address the adequacy of the funding that they have made available and ensure that it is wisely spent and properly monitored. The inescapable reality is that the consequences of the cuts to public expenditure are devastating for the most vulnerable in our society. To use the city that I represent as an example, Birmingham city council has cut £212 million from its budget this year—the largest cut in local government history. It cut £51 million from the social care budget, rising to £118 million over three years, and consequently sought to remove substantial need provision for 4,100 people. The council was prevented from going down that path only by a judicial review taken by four brave families, whose cases were heart-breaking.

I have seen some of the consequences in my own experience. One example is an absolutely wonderful couple, Faith and Frank Bailey. Faith Bailey is terminally ill. She left hospital some months ago, so that she could spend the remainder of her time on earth with her husband. They are a devoted couple; it is wonderful to see them holding hands at the age of pushing 80. The problem was that when she left hospital, her night-time care was restricted to two nights a week. She struggled as a consequence, and the impact on her husband was devastating. He was becoming increasingly exhausted, and neither of them could cope. The situation was causing them great distress. I am pleased to say that they are now in the admirable New Oscott village, where they will be cared for properly. However, those decent people who built Birmingham and Britain looked forward, in the twilight of their years, to being together for the remainder of her time, and to see them suffer in such a way was heart-breaking.

This is not just about the human consequences. As the hon. Member for Chatham and Aylesford was right to highlight, it is also about the financial folly of failing to recognise that not investing might cost more in the medium to long term. The King's Fund report charts what happens in social care as a result: the number of people admitted to hospital rises. I am sure that we have all seen that in our respective constituencies. I remember one example in the constituency next door to mine in Birmingham. A fine young man who was seriously assaulted spent 18 months in hospital as the consequence of a failure to provide a social care package. After he had spent just over 12 months in hospital, he was told that he could leave if an adequate social care package were provided for him, but because it was not, he stayed in hospital. He was desperate to go home and his family wanted him back, and it was costing the national health service £2,400 a week in net additional costs to support him. That cannot be right. The impact on the national health service is an issue.

To give another example from Birmingham, all parties supported building 10 centres, such as the admirable Perry Tree centre, across Birmingham to provide intermediate care as a bridge between leaving hospital and going back home or into a home. Perry Tree is outstanding, and the atmosphere is wonderful. However, sadly, no more centres will be built. That will mean bed blocking on a massive scale in the national health service.

Tracey Crouch: Is the hon. Gentleman aware of the report by the all-party group on dementia that highlights that issue specifically? Dementia patients are extending their stays on hospital wards because they cannot go straight back to their residential care homes, and it is costing the NHS about £20 billion a year. It is a massive issue. Intermediate provision must be considered more closely to alleviate that financial pressure on the NHS.

Mr Gary Streeter (In the Chair): Order. Before the hon. Gentleman responds to that point, I would like to say that five other colleagues are seeking to catch my eye and the wind-ups will begin at 12.10 pm. If colleagues can moderate their speeches, I would be most grateful.

Jack Dromey: Thank you, Mr Streeter.

[Jack Dromey]

The work that the hon. Member for Chatham and Aylesford has done, together with the all-party group, is admirable. She is absolutely right to highlight the dilemma. Before I conclude, I will give one other example of the impact of what is happening in Birmingham. It is a combination of the cuts to big society organisations on the one hand and the impact on carers on the other. On big society organisations, the budget of Age Concern Kingstanding—my constituency is one of the 10 poorest in Britain, and Kingstanding is the poorest area in Erdington—is being cut. A particularly heart-breaking case concerns a group called Elders with Attitude. It has one co-ordinator and a range of volunteers. I remember the first time that I met them. They are inspirational. People were brought together around a table and told their story. One individual—another Frank—said he had had a terrible stroke and had thought that his life was over. The group meets twice a week and, in his words, it brought him back to life. His granddaughter, who was sitting alongside him, burst into tears and said, "My granddad used to just sit at home, looking at the wall. This has given him a fresh lease of life." This is essentially a voluntary initiative and initiatives of that kind should be supported, not least because, as the hon. Lady has said, stimulating people is of the highest importance to their quality of life and, ultimately, to their not having to go back into a hospital.

I want to give one other example of the impact on carers. In Birmingham, thousands of carers are employed directly by the council. I remember meeting a group of 20 of them in July. They were women who had worked for 10, 15, 20 or 25 years. They were the kind of women who go the extra mile in the job that they do. I remember meeting one of them coming out of Sainsbury's in Castle Vale the Easter before last. She had a bag of Easter eggs. I asked, "Who are those for?" She said, "Half a dozen people I care for." I asked, "Who's paying for it?" She said, "Oh, I am of course." She was buying Easter eggs for people who would not otherwise get them. Such was her bond of love and affection for the people for whom she cared. Sadly, she and all the people like her are now going to see cuts. They earn typically £14,000 a year. They will see, under the proposed Birmingham contract, a cut of £4,000. That is absolutely devastating.

What I hope unites us here is the focus on the need for the new dawn to be realised and for all parties to work together to put in place Dilnot's recommendations, and to do so as quickly as we possibly can. Crucially, however, it is about what happens in the meantime, because the hallmark of a civilised society is whether we care for the most vulnerable in our ranks.

11.33 am

Anne Marie Morris (Newton Abbot) (Con): This is an important issue and probably one of the most important topics that we as a Government and a Parliament will need to consider. On current estimates, the number of 85-year-olds will double by 2026, so it is a serious issue and I congratulate my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) on securing this timely debate.

Dilnot focused on the financial issues and found that the current system is not fit for purpose. I think that there is another issue in relation to quality. The Government clearly want to ensure that we have a system that, ultimately, is fair, affordable and sustainable. They want to invest in a system that will ensure that we have more care and support in the community, so that we can keep people in their own homes rather than force them into residential care as the only option. However, if we want that quality, we need to ensure that there is proper monitoring and proper regulation. Although I am not a great fan of over-regulation, we have to bear in mind in this particular argument that we are dealing with consumers who are often not very vocal or not able to be very vocal. Therefore, it cannot necessarily be assumed that the way in which a market would normally self-regulate will be the way in which this market will regulate itself.

My comments are based on conversations I have had with the Care Quality Commission, a number of local authorities and private providers. I have a long-term interest in the issue. I was a county councillor and chairman of the health overview and scrutiny committee, and in Devon we currently have the largest number of retired individuals in the country. I will turn first to residential care, then to domiciliary care, look at how they are regulated and monitored, and raise some concerns that need to be addressed by the Minister.

Residential care is commissioned by the local authority. Although provision is monitored by the CQC, the commissioners, per se, are not. I have a concern about that, because it is the local authorities that are determining whether to commission in their own homes—where one might argue that they have a conflict of interest—or in the private sector. What I have found particularly disturbing is the price that is paid for each of these contracts. I hear that local authorities—I give this by way of an example—are paying £700 in the public sector, compared with £350 for a private provider. Whatever the savings might be, there is no way that, for half the price, the same quality of care can be provided.

There is no standardisation of contract in the current system. Although choice is clearly important, I think that, for a consumer who has a difficult time getting their voice heard, it is difficult to ensure that they get consistently good quality. If we are to ensure that there is real choice, genuine quality and fair pricing, we need to look seriously at how the commissioning bodies—the local authorities—might be monitored and regulated in future. I believe that the Government have looked at HealthWatch as a possible source. My concern about HealthWatch is that, first, it does not yet exist and, secondly, it seems to have been conceived as a reactive rather than proactive body.

The provider of residential care is, principally, either the local authority or the private home, and here CQC does monitor. Although the intention was to set out a new framework that, rightly, was more outcome-focused than process-focused, the challenge for the care homes is to comply with this new care quality regulation. I have talked to a number of homes and the majority have indicated that they expected a light touch from Government. They expected that they would be able to provide evidence of compliance and that there would not be many onerous visits. I hear that there are many visits, which surprises them and surprises me. They are saying that it is taking up an awful lot of administrative time. Given that, as a Government, we are committed to cutting red tape, something is clearly not working somewhere. The position needs to be reviewed. Clearly,

it is important, because we need to guarantee quality, but let us find a way of doing it better. The other concern that homes have expressed to me is that, with the new outcome framework, there is no guidance as to how to meet the new requirements. In the old days, the CQC used to provide guidance, but now it does not see it as within its remit.

Domiciliary care is, perhaps, one of the most tragic and most important areas of concern. Commissioning of domiciliary care is done by local authorities. Here again, there is no monitoring and, I understand, no regulator; I would love to hear the Minister tell me that I am wrong. I cannot therefore see how we can ensure that our local authorities are really making sensible, informed choices about how they award contracts for domiciliary care. Indeed, I have heard stories of local authorities trying to take out costs and to subcontract their role to lead providers, who then take on the role of subcontracting further to find individuals and more providers of domiciliary care. In all that process, the quality control and the quality test seem to be lacking. I have talked to providers in the private sector who have seen some of what goes on, and the stories are horrifying.

Let me give one example. A provider indicated to me that she had gone into the home of an elderly person who was having to be put on to the toilet. The lady was literally sitting in her chair eating her sandwich lunch and the providers came in and lifted her up in a way that is apparently not appropriate or correct from a nursing perspective. They put her on the toilet, went out, smoked a cigarette and came back in. The sandwich was still in that poor old lady's mouth. They then took her and stuck her back in her chair. That does nothing for the dignity of the older person.

The provider of domiciliary care is sometimes the local authority but, increasingly, it is the private sector. Unlike the residential end of care, there is no Care Quality Commission monitoring domiciliary care and I understand that there are also no spot checks. Although there is an obligation on local authorities to have a watching brief, what I am hearing anecdotally shows that very little of that is actually happening.

The concept of e-monitoring was introduced to try to assist with that. The idea behind e-monitoring is that, when someone goes in to provide care in a home, they pick up the phone in the individual's residence and log in. When they have finished dealing with the client, they log in again through the telephone. However, the reality is that once someone has logged in, frankly, they can do almost anything. As in the case I mentioned, that could be putting a lady on the toilet and then disappearing outside and having a cigarette. Therefore, e-monitoring is not an effective way forward. The other thing happening is that, because there is no monitoring of quality, cost rules and consequently quality are going down.

I shall make this a very short contribution. In conclusion, the Minister should carefully consider having a regulator to deal with the monitoring process for commissioners both of residential and domiciliary care. In addition, certainly with regard to domiciliary care, some urgent and immediate action needs to be taken to examine current practice.

11.41 am

Alison McGovern (Wirral South) (Lab): I congratulate all hon. Members who have spoken so far, especially the hon. Member for Chatham and Aylesford (Tracey Crouch). I feel sure that her grandmother would be incredibly proud of her today. Her contribution was important and she made many points that I wholeheartedly support.

I want to follow on from the comments of the hon. Member for Newton Abbot (Anne Marie Morris), who articulated part of the problem very well. Although we have focused on Dilnot, the review and funding, I argue alongside her that we cannot talk about money without talking about what people get for that money. What people are prepared to pay surely depends on the quality of care that they are going to get.

Rehman Chishti: The hon. Lady makes a point about resources. A crucial issue linked to resources is that of the principle and presumption of early intervention and prevention in improving the quality of care for the elderly.

Alison McGovern: I agree. In a moment, I will talk about some of the problems that local authorities are currently facing. They have had bigger cuts than any part of Government in Whitehall. Although I wholeheartedly agree with what the hon. Gentleman said, it is a challenge to all of us to support local authorities in that prevention role.

The hon. Member for Newton Abbot rightly made the point that quality matters above all else. Some of the examples given by her and others were compelling in terms of the moral requirement on us all to stand up for the dignity of older people. I firmly believe that, when we hear examples such as the one just given, we know what is happening is wrong. I have heard examples from my constituents: for example, older people are told that a "breakfast" visit to get them up can take place any time between 6 am and 11.30 am, regardless of their personal preference. That is not good enough and is an offence to somebody who prior to needing care was independent and perfectly capable of looking after themselves. We all know that instinctively.

The question is: how do we get from where we are to where we would like to be? I want briefly to make two points on the subject. First, I shall mention enforcement and some of the professional development issues. Leading on from that, I shall talk about the market for care provision and why there is an interesting and difficult problem that the Government will have to tackle regarding the market for providing care. I agree with many of the points made by the hon. Member for Newton Abbot about some of the anomalies surrounding enforcement. I repeat that local authorities are having to struggle with the fact that, if they were a Government Department, they would be experiencing the biggest cuts in Whitehall. That makes the job of having responsibility for the care of older people, which is a fixed cost, very difficult.

Margot James: Does the hon. Lady agree that, when we consider expenditure, part of the problem is that, over the past 10 years, the increase in local authority budgets for adult and social care has been minimal compared with the increase in many other local authority budgets, particularly that for children and younger people's services, to name but one? With adult and social care, we are starting from a base that is already very low, which is one of the problems and is why local authorities are struggling so much.

Alison McGovern: I do not know the statistics on that, so I am hesitant to comment. If the hon. Lady says that that is the situation, of course, I believe her. However, I do not know off the top of my head whether that is the case comparatively. I will make some comparisons with children's services because there are some interesting parallels. If, as she mentions, the budget for children's services has increased, I can only think that that is a good thing given the importance of child protection and youth services. I live in hope that we can move towards having better funding for older people's services in the near future.

I return to the point I was making on enforcement. We have all had cases—since I was elected, I have had many cases—of people coming to surgeries who feel that the care provided is not sufficient. There must be a clear, easy process to follow for relatives or those concerned about a poor standard of care. At the moment, the system is confused. I will not repeat what has already been said, but that is my conclusion. If someone feels that the quality of care they have received is poor, the process they have to go through is not easy.

Some of the issues raised by constituents at my surgery have stemmed from the absence of professional development for those providing care. I have seen extremely good quality examples of both residential accommodation for older people and care provided in people's homes but, by and large, the work force who provide that care are underpaid and neglected. It has to be said that that work force are mainly women who often have not received much workplace training over many years and are some of the lowest paid people in our society. Frankly, it does not do much for the dignity of older people that the job of looking after them is one of the lowest paid and least respected in our society. It is about time that we put that right. We should make it clear that looking after older people and protecting the dignity of our society is an important job. We ought to pay those people a decent wage and give them the training and support that they deserve.

The example of e-monitoring has been mentioned. In my surgery, I have been given examples of that. People are given time to look after people but not enough time to travel between appointments, and they are for ever catching up after themselves. By and large, the whole system is set up to make a profit for the company concerned, rather than to think first about the quality of service for the person receiving care.

[Mrs Anne Main *in the Chair*]

On the profit issue, I am not an unreconstructed left-winger. *[Interruption.]* To the chagrin of some, I am not one who thinks that the profit motive has no place at all in public services. However, there is a structural issue here. We have a large amount of competition for the provision of care. Price competition, in an industry where greater profit cannot be extracted through the use of technology—this is a person-to-person service with a one-to-one relationship with the person, so we cannot invest in technology to make more profit—means that wages are the only expenditure that can be driven down. In an environment where the work of care is seen as low, wages have been driven down. There has to be a response from the Government on the structure of the industry, which effectively means that wages have been pushed down lower and lower, and people's skills and time are not being invested in.

I draw an analogy with the child care industry. In the 1980s and early 1990s we had a similar situation. Frankly, those involved in child care were seen as the lowest of the low and were paid as little as humanly possible to look after children. Those days are over now. By and large, those who look after children are now paid a bit better and are likely to have qualifications. Can we not set ourselves the challenge of better wages and a better skill level for those working in care for older people? That would meet the aspirations of the hon. Members who have spoken so far and would do a great deal to improve the quality of care. That would help us to deal with some of the funding issues. People would feel that what they paid for was worth having and worth investing in. Hopefully, it would also meet the challenge set to me earlier and ensure that the case is made to local authorities to pay for quality.

In conclusion, I agree with the comments that have been made so far. There has to be attention to quality and to standards, and an ability to uphold those standards. There is a problem, however, in the market for care that is forcing a driving down of the quality, and it could be dealt with.

11.52 am

Tony Baldry (Banbury) (Con): I am definitely going to send for a subscription to "Elders With Attitude". It sounds like a very commendable organisation.

An aspect of public policy that is far too little debated is the consequences of us all increasingly living with an ageing population. It was about two years after I was first elected that I heard the word "Alzheimer's", but if I go around a nursing home in my constituency now, pretty much everyone there is suffering from age-related dementia of some sort. In my brief comments, I shall relate that to the problem of delayed discharge, or what is known as bed blocking. That is where the system needs improving.

Money has tended to be allocated to local authorities based on population and a multiplier of deprivation indexes, but I am not sure that those formulae take sufficient account of the ageing population. When a person is old, their requirements for care and support do not depend on their social background, but that is not sufficiently recognised in the formula. In medicine, at one end people stay for ever-shorter periods of time in hospital—one can now do such things as hysterectomies by keyhole surgery, which was impossible a few years ago, so some people go into hospital and come out very quickly—but at the other end, some people go into hospital and stay longer; largely, they do not need to be there, but an appropriate place cannot be found for them.

I understood, for example in domiciliary care, that the introduction of individual budgets would give individuals more control over their care provision. One hoped that that would lead to more providers coming into the system, but I see no evidence of that in Oxfordshire. Likewise, I do not see, and would be very surprised to see, substantial, or indeed any, increase in nursing home provision on what there was 10 years ago.

If one thinks about it and visits nursing homes, one sees that the point about wages is a good one. In the past decade, most nursing homes in my patch have managed by employing—I mean this in no pejorative sense; it is just the reality—Filipinos and paying them

the minimum wage. At the end of their training, they have then gone on to find work in the NHS, and even though, with the cap on non-EU migration, that has become increasingly difficult, nursing home providers find themselves squeezed. On the one hand, the amount of money they receive from local authorities for placements is getting ever tighter; on the other hand, their wage bills and regulatory costs are becoming ever greater. There is little incentive for existing nursing home providers to increase the size or the provision in their own nursing homes, and there is certainly very little incentive for any new providers to come into the marketplace. There is a certain amount that the NHS or primary care trusts can do to fund intermediate care beds, but there is a limit to that and the cost still falls on the NHS.

We need to take a much better grip. I am not entirely confident about who has a grip on domiciliary care and is trying to ensure that there are sufficient providers of day care for those who need it. If we are to avoid ever-increasing fractiousness between the NHS and the social service providers over the thorny issue of delayed discharge, we will have to give more thought to how to ensure that there are sufficient places in the nursing home and residential care sector.

I agree with the point made by the hon. Member for Wirral South (Alison McGovern) about enhancing the professionalism of care staff. Those who provide domiciliary care in residential care homes provide a very important personal service. We should look at ways to enhance their reputation and status and encourage more colleges to offer HNDs and other courses for care staff. We will require more people in care services in the future, so it needs to be seen as an honourable occupation to which people aspire and where there are the highest standards of professionalism. There are important questions that need to be answered about the funding for local authorities for social care and how, with that funding, they are able to support both sufficient nursing home places and sufficient domiciliary care places.

For some time, many nursing homes were able to cross-subsidise, using the fees from private residents to subsidise the fees from local authorities. What I see in my patch is, effectively, two types of nursing home provision. Some nursing homes are now almost entirely privately paid; they are very expensive and provide a very good service. That means, however, that the only source of income for those nursing homes that provide residential care for patients funded by local authorities is the money that they receive from local authorities. They are stretched extremely tight to deliver a good service and have little incentive to expand that service. If we do not get our policies right, all that will happen is that the NHS will spend significant sums of money keeping in hospital people who no longer need to be in hospital and who could be discharged if there were places to discharge them to safely and properly.

11.59 am

Gareth Johnson (Dartford) (Con): I congratulate my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) on securing the debate. She feels passionately about the subject and made a robust and fair-minded speech.

Care and services for older people are of increasing importance, and I agree with the sentiments already expressed about how we must deal with the issue sooner rather than later. It is a growing mushroom that must be dealt with fairly soon because the population in this country is getting older, which is placing strains on our systems. That is a good and positive thing—too often we hear about longevity in a negative way, but it is a marvellous tribute to medical science that we have people living longer than they previously did—but greater reliance is placed on our care home provision and local authorities have to adapt to the changes in pressure placed on them as a consequence. I have disagreed publicly with my local authority, Kent county council, on decisions it has made about care home provision in my constituency of Dartford.

I accept that the future lies in a public-private partnership in care provision throughout the country. The Government face a dilemma: they cannot afford indefinite free care home provision and they do not want to penalise those who have saved for their retirement. Free care home provision for all without tax rises is completely unaffordable—I agree with my hon. Friend the Member for Banbury (Tony Baldry) about that. Such rises, especially in the current climate, would have a huge negative impact on the finances of this country. Equally, we should not be punishing prudence and forcing the elderly to sell their homes to pay for care. Prudence should be rewarded by the state, not punished.

Health and safety legislation has often added to the cost of care provision. The apparent necessity for all rooms in a care home to have en suite facilities was used as part of a reason to close care homes in my constituency, yet residents in those care homes would say that what they want is their home preserved and not the health and safety considerations met. I recently visited Emily Court care home in Wilmington in my constituency. The residents echoed the sentiments I have heard in every care home I have ever gone to: they like the facilities, but what is most important to them is that it is their home. That drives the affinity they have for the place.

What has staggered me since the upheaval in my area with the closure of care homes is how easy it is in this country to close them. I find it incredible that no real security of tenure exists for residents in a care home. Travellers have some rights over land they settle on—that is obviously an argument for a different time—and squatters have rights over empty properties that they occupy, yet residents in care homes can be moved almost on a whim. That might need further investigation, because the consultation exercises before any care home closes concentrate a bit too much on the bricks and mortar involved and not enough on the people.

Alison McGovern: The hon. Gentleman says what a bugbear health and safety legislation was and then mentioned the lack of security of tenure for residents. I find it difficult to know whether he thinks we need more or less regulation, legislation or sub-legislative guidance. What mechanism does he think is best to improve some of the standards?

Gareth Johnson: The two issues are separate. When Southern Cross went bankrupt, for example, it blamed in part the increase in health and safety legislation, some of which was sensible and some completely unnecessary. Ensuring that people who reside at care homes have some rights over the land that they are

[Gareth Johnson]

living on is a separate matter. I do not see that as placing increased burdens on those running the care homes; it simply gives the individual residents the same rights that we would have if we leased a flat. Those living in residential care homes, who are perhaps among the most vulnerable in society, should surely have that extra protection. The challenge for the Government is to find a solution that is both affordable and fair—affordable, so that the Government can cope with the ageing population and the increasing demand on care homes, and fair, so that the elderly are not forced to sell their homes and lose out because of their earlier, sensible financial decisions.

Esther McVey (Wirral West) (Con): I am delighted to take part in the debate, which echoes the conversation I had earlier in the week with the residents of Hoylebank in West Kirby about the diverse and huge issues involved. Those residents believe that they are part of an invisible generation. They would like to be visible and, like my hon. Friend the Member for Chatham and Aylesford, they are calling for a Minister for the elderly to go through everything thoroughly.

Gareth Johnson: I am sure that the residents in Hoylebank have similar difficulties to many residents all around the country: they are often screaming loudly and not being heard by anyone. It is incumbent on Government to listen to the messages we hear from care homes and to see where we can make improvements to their rights to ensure that their homes are protected as well as possible. We need to find a more sensible balance than is currently in place. Care homes provide a vital link in the health chain. The hon. Member for Birmingham, Erdington (Jack Dromey), who is not now in the Chamber, made the important point that if we reduce the availability of care home provision, the amount of so-called bed blocking in hospitals will inevitably increase, with all the extra difficulties and costs arising.

We all want to facilitate elderly people remaining in their homes as much as possible, but the ideal should be about choice and not about forcing people who want to go into a care home to stay at home, or forcing people who want to remain in their own homes to go into care. Their individual choice should be paramount, and their opinion should count for a great deal. I therefore look forward to the spring, when the Government intend to announce their intentions regarding the Dilnot report and what happens thereafter. I look forward to finding a balance that works for the whole of the older generation.

12.7 pm

Emily Thornberry (Islington South and Finsbury) (Lab): It is a great pleasure to serve under your chairmanship today, Mrs Main. I congratulate the hon. Member for Chatham and Aylesford (Tracey Crouch) on securing this hugely important debate.

The terrible consequences of the massive spending cuts are becoming clearer and clearer. They focus in particular on underfunding in the social care system, which is getting to breaking point. Earlier I shared with the Minister my research on the effect of the cuts on local authorities and on adult social care. I am sure he is pleased to hear that I am doing further research.

My preliminary research, which I put together with the House of Commons Library and which is a clarification or an interpretation of data published by the Department for Communities and Local Government, shows £1.3 billion in real-terms cuts in local authority spending on social care in both 2010-11 and 2011-12. For the oldest and most vulnerable, the picture is especially dire, with real-terms spending on social care for the over-65s lower than in 2009-10 by £60 million in 2010-11 and £1.3 billion in 2011-12. The Association of Directors of Adult Social Services has indicated that demographic pressures from an ageing population, physical disabilities and learning disabilities have placed a £425 million squeeze on social care funding in 2010-11, with fewer than half of local authorities allocating the funds to cover the bill. I believe that the Department of Health continues not to be able to provide a borough-by-borough analysis of adult social care funding, so when I have my full report available next week, I assure the Minister that I will let him have a copy.

As a consequence, care packages and care services are being renegotiated, with new and increased charges being imposed. Others are being denied state-funded care altogether, because of changing eligibility criteria. A recent report from Age UK warned that of 2 million older people in England with care-related needs, 800,000 receive no formal support from public or private sector agencies. With spending cuts, that number is likely to top more than 1 million between 2012 and 2014. The evidence is piling up.

The Minister may have heard yesterday's "You and Yours" programme on the BBC, in which the UK Homecare Association gave an analysis of its recent research that showed a pattern of care in the home being taken away from people. In the cases that it looked at, 82% of councils were reducing the amount of time that people have with carers in their home, there was a widespread increase in very short visits—for example, the notorious 15-minute visits—75% of councils were reducing the number of visits per week, and 50% were trying to reduce the money spent on an hour of care. Fewer safety checks were being made on older people at home, there was a widespread reduction in the time allowed for bathing and washing, and social services were being cut completely. They include a range of services that are not personal care, but help people to stay in their home—vital services such as help with laundry and shopping and decisions about finances. With the cutbacks in all those services, we are heading for crisis.

In making the changes, councils are often failing to consult. My hon. Friend the Member for Birmingham, Erdington (Jack Dromey) referred to legal challenges resulting from lack of consultation. I believe that the number of judicial review cases has increased by 45%. The renegotiation of fees for residential care provision by councils is also putting great pressure on the care home market. That was not the only reason for the collapse of Southern Cross, but it was certainly one of the reasons.

I welcome the Minister's statement today on Southern Cross, and I will take the opportunity to ask him three questions arising from it. First, has he established who all the landlords are? Secondly, he said that there is an expectation of a formal transfer of the care homes, with the second wave by the end of October. That expectation

sounds similar to aspiration. How confident is he that that will happen? The third and most important question relates to the reference the hon. Member for Dartford (Gareth Johnson) made to residents' rights, including their right to know what their future is and where they will live and not have their care home closed. Can the Minister help us by saying whether any Southern Cross homes are likely to be closed; if so, how many and at what stage will residents be told? My fear is that they will be the last to know.

Those are not the only continuing problems. There is a continuing and exacerbated postcode lottery for who gets what services. Tower Hamlets spends five times as much on each older resident as Cornwall, and such disparity leads to unfairness. Our social care system is definitely creaking at the seams.

The good news concerns the Dilnot commission. The Opposition have made it clear that we will work with the Government to find a solution to long-term funding of care based on the Dilnot recommendations, but funding is not the only matter dealt with in the recommendations of Dilnot and the Law Commission. They include less complex matters that may be less financially challenging, such as recommendations to improve available information, to support carers, and to enable portability of care. We want to ensure that that happens, and quickly. Will the Minister assure us that there will be legislation during the next session of Parliament to deal with the Dilnot recommendations? We all agree that we must get on with this.

We must also ensure that the present strains on the care system are dealt with. The concern is that even if we find a solution for the long-term funding of care, we may look at our care system in a few years, and wonder what is left. That is a genuine and continuing concern for all those involved in the sector. I understand that the business in the main Chamber includes an amendment to the Health and Social Care Bill which may help to regulate providers such as Southern Cross, but we have only 10 hours to discuss more than 1,000 amendments, so perhaps the Minister will take this opportunity to explain whether the Bill has been sufficiently changed to ensure that we will be able properly to regulate social care providers, particularly providers of residential care to elderly people, and whether the legislation will be able to help with that.

I welcome the partnership on dignity and care that has been established by the NHS Confederation, Age UK and the Local Government Group to look at standards of health and social care. I agree with many of the contributions that have been made today. There is concern not only about the funding of care, but about the standard of care. I listened to the passionate speeches by many hon. Members about the dreadful way in which some people have been treated. It is clearly hugely important to keep standards are high as possible. I look forward to the report of the Equality and Human Rights Commission, which I understand will be issued in the next few months.

That brings us back to the cuts. I do not want to sound like a broken record, but I take this opportunity again to warn the Minister that if the Government continue to cut local government funding as they are doing, the biggest area of discretionary spend, which is adult social care, will continue to be cut. The much vaunted additional £2 billion that the Minister says is available for adult social care is simply not sufficient. He must not continue to close his eyes to the situation. I know that he feels passionately about the issue, as do we all, but we must be realistic and more must be done to protect the elderly. We must put more money and more investment into social care and ensure that it is not cut to the bone.

12.16 pm

The Minister of State, Department of Health (Paul Burstow): It is a pleasure to serve under your chairmanship, Mrs Main. I congratulate my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) on securing the debate. The speeches and interventions have demonstrated why we need Back Benchers such as my hon. Friend to raise such subjects, which Parliament has not debated enough over the past 10 or 15 years. That may be one reason why, as several hon. Members have said, social care has historically been the poor relation of the NHS and inadequately funded relative to the NHS.

We should not delude ourselves that many of the problems and pressures that have been amply and passionately described in our debate have emerged in the last 12 months. Indeed, if one takes a run through *Hansard* reports of the past 30 or 40 years, one sees that they have been raised previously. I do not say that to excuse the obligation that rests with the present Government to address the issues, but I ask hon. Members to bear in mind the fact that we should come to the debate with humility and recognition that past responsibilities were perhaps not fully met.

Attention was drawn to the fact that by 2033 almost a quarter of the population will be over 65. Indeed, some parts of the country have already reached that proportion—my hon. Friend the Member for Newton Abbot (Anne Marie Morris) referred to the situation in Devon. I agree entirely with the point made by my hon. Friend the Member for Dartford (Gareth Johnson) that all too often in these debates we use the language of time bombs and consternation instead of celebrating not just the successes of our health and social care system in supporting vulnerable and frail people, but the contribution that, in turn, older people make in our society, often to their fellow citizens. We should do more of that and I want to make sure that we do.

It is worth saying that if the NHS and social care are to cope, some systems and processes need to change; I will say more about that shortly, but it is also necessary for older people themselves and their families and carers to call the shots about the decisions that affect their lives, so that the system can provide the care that people want, need and feel comfortable with. The whole agenda of personalising services so that people have the resources to be able to make choices and to be in control of those services is important, and the Government are determined to turn that ambition into reality.

Let me say something about the coalition's commitment to see health and social care provided in ways that achieve better outcomes and deliver more personalised services. A thread running through the comments from hon. Members during the debate is the role of integration, which is a key element in realising better outcomes and better quality in the system. Integration is about care services working together in the interests of people and

[Paul Burstow]

the local populations they serve, and about learning from one another's experience and ending up with care and support that is of higher quality, safer, and more comforting than ever before.

We also need a sea change in the nature of the working relationships at local level, so that closer working relationships between local authorities and the NHS become the norm rather than the exception. That is one reason why we have made extra funding available. We can debate and will continue to debate in the House whether that funding is adequate, and I have no illusions about the challenges facing local authorities, but the Government have done much to ensure that local authorities have the resources to address them.

NHS funding that goes directly to local authorities for measures that support social care and benefit health will rise to £1 billion per year by 2014-2015. It is the first time that any Government have made such a significant transfer of resources. This year, £650 million has been allocated to PCTs and transferred to local authorities to invest in social care services. That will benefit health and have an overall impact on well-being. I am under no illusions about the interdependencies between health and social care services to which many hon. Members have alluded during the debate. One must look at both parts of the system to understand and mitigate the impact.

I look forward, as ever, to the next chapter of the report on social care by the hon. Member for Islington South and Finsbury (Emily Thornberry). From what I see, however, and from discussions I have had, I know that the picture is far from clear; it is mixed and different authorities are adopting different approaches to the challenges they face in meeting the Government's deficit reduction targets. Some local authorities are being smart in the ways they confront those challenges and are looking at using telecare and telemedicine, investing in relevant services, and redirecting resources into earlier interventions that can make a big difference up stream. Other authorities—the ones we tend to hear about in debates such as this—are adopting more of a slash and burn approach and tightening eligibility without thinking through the consequences of such decisions and the impact on services. We need to challenge such actions not only in the Chamber but in our constituencies as constituency MPs. These pressures on the system are not new and we have seen such features for many years. Indeed, the vast majority of local authorities already used substantial need as a basis for eligibility and access to services before this Government came into office.

The £650 million that is being transferred to local authorities from the NHS is on top of the £530 million from the Department for Communities and Local Government that will go directly to social service departments.

Emily Thornberry *rose—*

Paul Burstow: If the hon. Lady will forgive me, I want to ensure that I answer two or three of the key points raised by my hon. Friend the Member for Chatham and Aylesford. One key issue concerned the role of a Minister for older people. I certainly share my hon. Friend's view that we must ensure cross-governmental dialogue and gain a much clearer understanding of the interdependencies between different policies and actions across the Government as they affect older people. The Government are not currently minded to appoint a Minister with specific responsibility for older people, but my hon. Friend has made a number of suggestions that could be a way to look at the issue. I undertake to take the point away and discuss with colleagues how we might join up services in a better way. A number of colleagues across Government have various responsibilities and we must find ways to ensure a clear articulation of the Government's approach to ageing and an ageing society. We must ensure that that happens not only nationally but locally.

It would be remiss of me not to pick up on the comments about Southern Cross. I did not quite catch the second question, so the hon. Member for Islington South and Finsbury may wish to remind me of it so that I can answer. She asked about landlords, and the answer is that work to ensure that the transfers could take place required that measure to be concluded. As I understand, all landlords involved have now been identified, but if I am misinformed I will write to the hon. Lady and give her the details.

The hon. Lady also asked about home closures. In the past, I have said that when Southern Cross first made its proposals for restructuring the organisation, it suggested that the medium-term future—the next three or four years—would involve a limited closure programme. It did not specify a number and has not done so since. In some ways that programme is no longer the programme being followed; Southern Cross is effectively managing its own demise and passing homes on to new operators, which will have to make judgments about the economic efficiency of those businesses and the welfare of the people living in the homes, and decide whether they can carry on. We must have good advice and support to manage any closures that take place, which is why I have said on a number of occasions that I welcome the work done by the Association of Directors of Adult Social Services.

The hon. Member for Dartford raised an important point about tenure to which we must give serious consideration. I do not want to make a policy announcement about that today because the issue is complicated. We do, however, need to look at how we can give people a greater sense of confidence in the place they consider their home, and ensure that in the future they cannot be lightly tipped out to find a new care home. I will write to the hon. Member for Islington South and Finsbury about the second question to ensure that she gets an answer.

I appreciate the warm words of support—broadly speaking—that have come from all parties about the Dilnot inquiry and the appetite to get on with action. I will ensure that that appetite is well understood across Government. We are clear that the report submitted by Dilnot in July makes an excellent contribution to providing a framework or scaffold around which we can take forward a wider reform of social care for the future. We will soon set out a further process of consultation not only about the details of implementing the Dilnot inquiry—he sets out a number of parameters in his report that are up for further discussion, not least the one mentioned earlier in an intervention—but about the wider issues of quality in social care that were referred to by the hon. Members for Wirral South

(Alison McGovern) and for Newton Abbot. We will approach all those issues in a combined way that will lead to a White Paper next April—that answers the question raised by the hon. Member for Chatham and Aylesford.

It is above my pay grade to announce what is in the Queen's Speech; that has to be someone else's job—probably Her Majesty, when she sets it out in detail, and the Prime Minister and the Cabinet who make those decisions. The Government remain committed to legislating at the earliest opportunity to bring in the Law Commission's reforms and address the question of funding reform. I hope that answers the points of concern that have been raised.

The hon. Member for Chatham and Aylesford also mentioned housing, and she was right to talk about choice. That underscores the need for a cross-departmental approach to ageing and an ageing society, and I will raise her comments with my right hon. Friend the Minister for Housing and Local Government. Given his responsibilities for supporting people, it is important that I do that.

Prevention underlies many points that have been raised today and there is much we can do both to prevent admissions into hospital appropriately and to manage hospital discharges better. The increased roll-out and use of personal budgets will play a part in that, and will provide people with more control over the packages and nature of the care they receive.

The contribution made by the voluntary sector and charities has rightly been highlighted in this debate, in particular the role that such organisations can and do play in tackling social isolation. They also provide practical, low-level help—for example, helping to change a light bulb, which sometimes seems to take for ever. We must ensure that communities feel confident to give that help and are given support to provide mutual aid. Through our work on the big society we are determined to see that through. Local councils have an important role in improving health and well-being through commissioning those low-level services, and that has been well described in the debate.

The hon. Member for Newton Abbot expressed some concern about the role of the CQC. Like her, I met representatives from the care sector to discuss their views about what will soon be the first full year of operation for the CQC. The CQC was established in 2009 but has been fully operational only since October last year. Not all of what it does and will do has been explained to care providers as clearly as it should have been, but some of those defects are now being remedied. Just last week I had the opportunity to visit the CQC and see the work it is doing to establish a new, much simpler website. That website will provide a lot more information to providers about how issues of compliance with essential standards are being addressed.

Energy Powers (Wales)

12.30 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Prynhawn da, Mrs Main. It is a pleasure to serve under your chairmanship. I appreciate the opportunity to open this debate on the Government's policy on devolution of energy planning powers to Wales, and I look forward to the Minister's response.

I wished to give this speech in the report stage of the Localism Bill in May, when my new clause 11, relating to the transfer of powers to grant consent for electricity generating stations in Wales, was selected for debate. However, I was not called, as almost 50 amendments were selected for debate within two hours, and the guillotine prevented me from making a contribution. I am therefore grateful for the opportunity to make points today that I wished to make then.

That new clause related to schedule 13 of the Localism Bill, which scraps the Infrastructure Planning Commission, transferring its power to the Secretary of State. During my 2010 general election campaign—as my constituency neighbour, the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart), will be aware—I stood on a specific pledge to scrap the IPC. I am therefore delighted that Ministers in London have delivered for me to a certain degree on that point. At the time of the Planning Act 2008, my party, Plaid Cymru, along with the Conservatives and Liberal Democrats, opposed the creation of the IPC by the then Labour Government as undemocratic and taking political responsibility and scrutiny away from Ministers. We therefore welcome the Government's decision to pull the plug on the organisation. The question, as it was in those debates in 2008, is where those powers should now reside. I fear that is where the coalition Government are undermining the second half of my election pledge, and where there is clearly some convincing work left to do.

The successful referendum in Wales earlier this year showed support and an appetite for devolution among the Welsh public, with around two-thirds voting in favour. The topics included in that referendum did not come from a wider discussion on the whole issue of the devolution settlement, but were chosen by the former Labour Government and included in the Government of Wales Act 2006. The referendum was fought within the narrow confines of the 1997 settlement regarding devolved policy fields. The key point about the referendum was that the yes campaign—which secured an overwhelming victory, far beyond anything I envisaged—used parity with Scotland as its battering ram. Equality with our Celtic cousins is a powerful message in my country, and it is a very dangerous political game for those who underplay that fact.

Mr Mark Williams (Ceredigion) (LD): I congratulate the hon. Gentleman on securing the debate. He will be relieved to know that at the time of the Government of Wales Act 2006, Liberal Democrats tabled amendments to seek the devolution he seeks on energy matters.

There is another inconsistency—not just the territorial one between Scotland and Wales—which is felt by many local people. On the one hand, in TAN8—technical advice note 8—strategic areas are defined by the National Assembly, yet the ultimate planning decisions for power installations over 50 MW rest in Westminster. Many people find it difficult to grapple with that inconsistency.

Jonathan Edwards: I am grateful for that intervention, and I am glad that the hon. Gentleman takes a consistent position. I will address some of those concerns later and will allow him to intervene if he wishes to do so. I am glad to hear the thrust of his comments.

We believe that unfinished business with the devolution settlement remains, which will come as no surprise to colleagues. Polls in Wales agree with us that criminal justice and policing should be devolved, as should broadcasting and financial powers. Natural resources and energy are other areas that we believe should be devolved to the National Assembly and our own democratic institutions in Wales. That is not a new discussion point. Indeed, the first bids in relation to the devolution of powers in the area of energy and natural resources were made in 2003, and a not particularly successful working group from the Wales Office, the Welsh Government and the UK Government tried to resolve the situation. The issue was raised again in discussions on the 2007 White Paper which preceded the Planning Act 2008, which created the IPC.

The argument is largely one of common sense, to add to the points made by the hon. Member for Ceredigion (Mr Williams). Local planning authorities in Wales, under Welsh Government policy, currently have the power to consent to new or increased electricity generating stations up to 50 MW, but anything greater on land is dealt with currently by the IPC and—following the introduction of the Localism Bill—by the Minister in London. My key point is that in Scotland planning powers for all energy developments are fully devolved. The 50 MW limit was written into the Electricity Act 1989 and imposed on the National Assembly on its creation in 1999. The 50 MW appears to be an arbitrary figure with no real justification for its existence. It makes little sense that a generating station of 49 MW should be decided upon in Wales, but 51 MW by the IPC in London or by UK Ministers. The issue is one of consistency of approach and of planning.

Glyn Davies (Montgomeryshire) (Con): This matter relates to discussions we had before the general election, when the Assembly seemed to be looking at changing that level from 50 MW to 100 MW. I have a fairly open mind about these issues and, as we have just had a referendum, I am reluctant to consider a change now, which is a point that the hon. Gentleman addressed earlier. Does he feel it is 100 MW—including everything, in Pembrokeshire as well—for these power stations?

Jonathan Edwards: That would be the difference between me and some of the London parties. I would favour full sovereignty over energy powers. I will address the specific point that the hon. Gentleman raises about the 100 MW level later and will happily allow him to intervene.

The National Assembly's research service tells us that 39% of applications have been submitted to the IPC, the body that is about to be abolished; 26% of applications are with the UK Government's Department of Energy and Climate Change; and 36% are decided by local planning authorities. Therefore, only a little more than a third of all decisions on applications to do with energy generating stations in Wales are based on planning policy devised in Wales. In my view, that is clearly unsatisfactory, as the purpose of devolution is to reflect Welsh feeling and attitudes. There is no denying that Wales wants to be a greener country and wants to specialise in renewables and the green economy. Indeed, sustainable development is written into the constitution of the National Assembly. However, if two thirds of planning applications are decided outside our borders and our jurisdiction, even though they may impact on us on a day-to-day basis, that is not power devolved, but power retained. I would hope that as part of the respect agenda, the UK Government would want to address that enormity.

The Plaid-Labour one Wales Government, to whom we were proud to belong, were very much in favour of transferring further powers to Wales. They were not alone, with environmental and civic organisations such as the Campaign for the Protection of Rural Wales and Friends of the Earth indicating their support and including it in their manifestos for this year's National Assembly elections. The issue was raised during consideration of the Planning Act 2008, when the IPC was first created. My right hon. Friend the Member for Dwyfor Meirionnydd (Mr Llwyd) tabled an amendment in Committee, but it was not moved. The Liberal Democrats then moved a similar amendment on Report.

The right hon. Member for Wentworth and Dearne (John Healey) told the House:

> "We have had detailed discussions, not just with the Department for Business, Enterprise and Regulatory Reform but with the Welsh Assembly Government and the Wales Office." —[*Official Report*, 2 June 2008; Vol. 476, c. 518.]

However, there is no easily available record of what those discussions entailed or what the conclusions were. I can only assume that the Labour Government in London denied their colleagues in Wales the right to have the powers I have set out.

To return to the 2008 Act, the Liberal Democrats pushed their amendment to a vote, seeking specifically to exclude Wales from the remit of the IPC. Labour voted against the amendment, and the Conservatives abstained. The Liberal Democrats, of course, voted in favour of their amendment, as did my colleagues and I. Those who voted for it included the right hon. Member for Eastleigh (Chris Huhne), who is now the Secretary of State for Energy and Climate Change, and the right hon. Member for Sheffield, Hallam (Mr Clegg), who is now the Deputy Prime Minister.

Since then, the Welsh Conservatives have published their 2011 National Assembly election manifesto, which commits them to increase the present level from 50 MW to 100 MW. Likewise, Labour in Wales supports raising the bar. Even 100 MW is an arbitrary figure, but it represents a significant improvement on the current situation, specifically in relation to renewable energy-generating developments.

There therefore seems to be cross-party agreement in Wales, and there needs to be progress on the current situation. I can only hope that the London parties' Welsh colleagues have agreed their proposals with their bosses in London, because there seems to be a divergence between the views of the parties in Wales and what is being said down here in Westminster.

My hope is that the issue can be dealt with in the Localism Bill, and my noble Friend Lord Wigley will table amendments to it in the other place. If the Bill cannot do so, however, I hope that it will be dealt with

by the new commission that the UK Government have announced will look into further powers for Wales over the next few years.

I would like to highlight a point that makes a mockery of the current system in my constituency. My constituency is home to TAN8 areas. Those are specific strategic zones, which have been designated by the Welsh Government for the location of large onshore wind projects. Where there is a concentration of such developments, there will understandably be a public backlash, and the hon. Member for Montgomeryshire (Glyn Davies) has been vociferous in setting out his concerns about developments in his constituency.

To mitigate such concerns, councillors in Carmarthenshire have proposed that the local planning authority adopt an enhanced 2 km buffer zone between individual projects and inhabited areas, and the proposal has great support among local people. However, even if Carmarthenshire county council adopts the policy, it will apply only to developments below 50 MW. Clearly, many developments in TAN8 areas will be above 50 MW. It is no wonder local people are confused; to be honest, I am confused myself. It is not only my constituents and me who want clarity. During a recent visit by the Select Committee on Welsh Affairs visit to Düsseldorf, we met renewables investors, who informed us that having different planning guidance was a disincentive to invest.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): On that point, the hon. Gentleman will be aware of the proposal for the Atlantic array, which will construct 417 turbines 15 miles off the south and west Wales coast and also have an impact on the north Devon coast. How would his plans take effect when two countries and a number of other parties have an interest in such a major offshore development?

Jonathan Edwards: I was going to say something about that in my concluding comments, so if the hon. Gentleman will bear with me—

Simon Hart: I can wait.

Jonathan Edwards: That saves me having to rewrite my speech halfway through.

Mrs Anne Main (in the Chair): Order. I ask the hon. Gentleman to continue.

Jonathan Edwards: Thank you, Mrs Main.

Let me return to the new clause that I proposed to the Localism Bill. It would have included generating stations not only on Welsh dry land but in Welsh territorial waters. The intention was once again to ensure consistency between the aims of the Welsh Government and actions around the Welsh coast. Under the Marine and Coastal Access Act 2009, consents for generating stations up to 100 MW are given by the Marine Management Organisation and, for levels above that, by the IPC. I see no reason why those powers should not be wholly transferred to the Welsh Government.

This is not an idle debate about devolving powers. A forward-thinking Welsh Government should look at the significant potential of our waters—the chance to generate clean, green energy and the economic potential that arises from it. The most prominent example of that would be the opportunity to develop a tidal lagoon in Swansea bay, which is usually quoted as being able to generate about 60 MW of electricity. The plan has been in the pipeline for decades, but we are still discussing how we can bring it into being. Giving the Welsh Government powers over electricity generating station consents at all levels would allow consistency of approach, add coherence to planning regulations and end the anomaly based on arbitrary figures for megawatt production.

During Third Reading of the Localism Bill, I made an intervention on the Minister of State, Department for Communities and Local Government, the right hon. Member for Tunbridge Wells (Greg Clark), who agreed to meet colleagues and me. It was a constructive session, and I thank him for the manner in which he listened to the points made by my hon. Friend the Member for Arfon (Hywel Williams) and by me. He has since written to me to confirm some of the points raised in that meeting on 13 June.

First, the right hon. Gentleman confirmed the disparity between energy legislation powers in Wales and Scotland. It exists because, before devolution, planning law was devolved to Scotland but not to Wales. Therefore, the energy consenting role was transferred to the Scottish Parliament on its inception, but it was not given to the National Assembly for Wales. That historical precedent suggests that with planning powers now in the hands of the Welsh Government, energy consent functions should also be transferred. Will the Government confirm that they plan to honour that precedent in the long term?

The right hon. Gentleman's letter also confirmed that there were more recent discussions with the Welsh Government in September and October last year. At the time, the relevant Welsh Government Minister argued that renewable energy consents in Wales should be increased from 50 MW to 100 MW, a position that has since become the official Labour line and has been taken up by the new Government in Wales. It was rejected by the Secretary of State for Energy and Climate Change, who said that UK Ministers are responsible for meeting the UK's renewable energy target and therefore best placed to take decisions on applications for larger renewable projects, and that UK Ministers are responsible for drawing up and designating national policy statements. I hope the Minister can explain why the Secretary of State has changed his mind and why he has performed a 180° turn on the position he voted for in opposition during consideration of the Planning Act 2008. I am sure the hon. Member for Ceredigion would like that clarification, as would I.

The argument seems to be that UK Ministers have decided the rules, so only they can participate in the game. That does not make for a coherent argument in a devolved United Kingdom, and it makes for even less of a coherent argument on energy, which is an international issue. On an issue where there is agreement across the board on the need for change in Wales, I would welcome an indication from the Minister that there will be proper bilateral discussion and debate, and that would probably best take place during the proposed Welsh Calman process, which will happen in the next few years.

It is clear that on energy, as on other devolved issues, communication is paramount. The hurdles can be overcome if the UK and Welsh Governments wish to overcome

[Jonathan Edwards]

them. To address the point raised by the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart), my colleague Lord Dafydd Elis-Thomas told the National Assembly in a similar debate on 6 July:

> "There is no reason why there should not be a renewable policy that could be co-ordinated between the nations of the UK. It is not for the United Kingdom to keep responsibility for itself in taking actions on behalf of Wales and Scotland, but a matter on which we should work together.

To finish, Wales should have the same responsibility as Scotland over the utilisation of its natural resources. Diolch yn fawr.

12.49 pm

The Minister of State, Department of Energy and Climate Change (Gregory Barker): It is a pleasure to serve under your chairmanship today, Mrs Main. I congratulate the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) on securing this important debate. I think I am going to disappoint him to a certain degree in not being able to agree with him on several matters of substance, but I am glad that we were able to start on a strong degree of consensus, by agreeing that scrapping the Infrastructure Planning Commission is important—not least to help him to deliver on his own manifesto commitments. He raised important issues to do with how major energy infrastructure projects in Wales should be determined in future. I congratulate him on the cogent and articulate way in which he did so.

I have 10 minutes to reply. I will write to the hon. Gentleman to make clearer any points that I am unable to cover in detail. He raised the Localism Bill, the abolition of the IPC, the referendum in May, inconsistencies between devolution settlements in Scotland and Wales, applications for consent under section 36 of the Electricity Act 1989, and recent discussions on devolution of major energy infrastructure. He also raised cross-party agreement in the National Assembly about devolution in Wales, several issues to do with technical advice note 8 strategic search areas, the impact on wind farm developments, particularly in his constituency and the wider area, and the different bodies making decisions on energy developments of different sizes in the same area; I agree that that can seem confusing, but we think that it has some strong underlying logic.

Overall, the Government's policy on the area in question is clear: subject to the Localism Bill receiving Royal Assent, we believe that the right decision maker for major strategic energy infrastructure in England and Wales is the Secretary of State for Energy and Climate Change. We believe that a streamlined planning system that minimises delay and unpredictability and, importantly, ensures investor confidence, is best delivered through a unified strategic planning system for major energy projects in England and Wales. Some may argue that it is not appropriate for UK Ministers to make decisions on major infrastructure applications in Wales. We would strongly disagree. UK Ministers are as accountable to Welsh voters as they are to English voters and, in the absence of any compelling evidence to support a change, we vehemently believe that it is appropriate for UK Ministers to take those important decisions on major infrastructure of national significance.

A number of reasons have been set out to show why Welsh Ministers should make major energy infrastructure decisions, and I appreciate the points that the hon. Gentleman made, but the Government see no evidence for reconsidering our strongly held position. The coalition Government's policy on the matter is exactly the same as that of the previous Labour Administration. It is important to consider the referendum on further Welsh devolution that was held on 3 March. There was a 63.5% vote in favour of the Assembly being able to legislate in a further 20 areas. I take this opportunity to wish the Assembly every success as it takes on that large tranche of new responsibilities. However, so soon after an important referendum on the scope of the Assembly's powers, now is not the time to start to unpick things and revisit the question; it is not an appropriate moment to consider substantive changes to the devolution settlement as it affects energy consents. We need to leave the settlement as it is.

Jonathan Edwards: Does the hon. Gentleman recognise that his party fought the recent National Assembly elections, after the referendum, on the basis of increasing the threshold to 100 MW? Is he saying that those manifesto commitments were not worth the paper they were written on?

Gregory Barker: No. What I am saying is that the overarching decisions in the area are informed by the coalition agreement of the Government. That is the basis on which we make our important decisions, and we stand by those.

In Wales, the Holtham report suggested that Wales is underfunded, and recommended borrowing powers and devolution of some taxes. The Government have said that they will consider the Holtham report with the Welsh Government and, following the commitment in the coalition agreement, will establish a commission to consider funding and finance for Wales. The Secretary of State for Wales has announced the outline of that, and there will be further announcements to follow.

The Localism Bill is currently going through Parliament. The Bill would amend the Planning Act 2008, abolishing the Infrastructure Planning Commission and returning decisions to democratically elected and accountable Ministers. The Government believe that the Planning Act regime and the changes proposed in the Localism Bill need time to bed in to ensure that important matter of investor certainty. That is another reason why we do not believe we should take the hon. Gentleman's suggestions forward. It is important to note that the impact of the abolition of the Infrastructure Planning Commission for Wales is minimal, and no different from the impact for England. The pre-application and examination procedures will remain the same and they will be handled by the Major Infrastructure Planning Unit, the IPC's successor. However, final decisions will be made by Ministers accountable to Parliament.

It has been pointed out by the hon. Gentleman that the current planning system is confusing, as different authorities determine different-sized energy projects. That was an important part of his argument. We acknowledge that, for example, wind farms of different sizes in the same area are given consent by different bodies in both England and Wales: so a wind farm of 50 MW or less would be given consent by a local

authority, while a neighbouring wind farm with a generating capacity over the 50 MW threshold would be determined by the Infrastructure Planning Commission, or, following its abolition, by Ministers at the Department of Energy and Climate Change. We believe that thresholds must be set somewhere, and that on balance those I have outlined are the right ones for the national interest. There is still significant scope for smaller projects to be determined by the local authority. Major energy infrastructure, given its national significance, should be determined at a national level.

On whether there is already enough planned energy infrastructure capacity, it is sometimes argued that there is enough in the pipeline. However, projects under construction or with planning consent would only replace the capacity lost through closures, which is currently expected to be about 22 GW. That does not take account of the need to move to low-carbon sources of generation, or of the need to increase the amount of capacity available to take account of the switching that we will need from fossil fuel to low- carbon electricity in domestic heating and transport. There is no guarantee that any given project will receive consent, or, having received it, will be built. When projects have been registered with the IPC those are not applications for consent; the companies have registered their interest in the application process. Projects in the pre-construction phase are not guaranteed to be built. The Department's White Paper on market reform shows that up to £110 billion of investment in electricity generation and transmission is likely to be required within the next decade.

We also acknowledge that Welsh issues should be taken into careful consideration for major energy infrastructure applications within the Principality, and, of course, they already are. Currently, IPC commissioners with expertise in Welsh issues are appointed to panels for Welsh applications. It is very important that, following the abolition of the IPC, Welsh issues should continue to be considered in major infrastructure applications.

Options are still being considered for how the new unit will work within the Planning Inspectorate. Welsh Government officials are significantly involved in that integration work. The national planning statements require decision makers to take into account where appropriate the technical advice notes in Wales, which have been mentioned at length in the debate. So Welsh policy issues have significance and will be taken into account when an important planning decision is made. We certainly regard the views of local people as important. All major applications for energy infrastructure in Wales are dealt with on a case-by-case basis, after the views of local people have been taken into account. There are two opportunities for local people to have their say: first, when applications are being prepared for the submission to the IPC, the developer must consult widely with the local community; secondly, during the IPC's examination of an application, any member of the public can submit evidence to the IPC.

The review of TAN8 is a matter for the Welsh Government. If there is a review, we shall take due account of its progress while considering individual applications in respect of which it is a material consideration, but we would not expect to suspend our consideration of applications while any review of TAN8 is being carried out, unless requested to do so by the developers concerned.

I am sorry that, because of limited time, I have not had the opportunity to reply at length to the questions posed by the hon. Gentleman but, as I said at the outset, I shall be happy to write to him on further specific points.

Special Needs Education

1 pm

Annette Brooke (Mid Dorset and North Poole) (LD): I shall begin by declaring an interest. I am patron of Diverse Abilities Plus, a Dorset charity that, among a range of activities, runs Langside school. I have a long acquaintance with the charity, which was formerly known as Dorset Scope, and with the school. I have seen the school's intake change over many years; the children now have extremely complex needs. It is a fantastic school. Sadly, since the last boundary changes, it is no longer in my constituency, but I share its concerns about the future. The Minister will be aware that I have an equal passion for Montacute school, a maintained school that I expect to gain academy status; the children there also have complex needs. I believe that the schools complement one another, and that both should be allowed to thrive to ensure that we give children with disabilities the very best start in life. The charity's name change reflects well on the positive outcomes that can be achieved with the right support.

I welcome the Government's recent Green Paper on special educational needs, and its vision to improve outcomes for children and young people who are disabled or who have special educational needs. In particular, I believe that there is widespread support for a joint education, health and care plan, and I share the Minister's aim to minimise the adversarial nature of the system for families. The role of special schools in providing specialist expertise is also recognised. However, concerns have been expressed about the provision of special needs education by non-maintained and independent special schools, which cater for around 13,000 of the most vulnerable children in the country who have wide-ranging but complex needs.

As well as Langside School, I have been contacted by the National Association of Independent and Non-Maintained Schools—NASS—which reminds me that I know well and value highly another of its members, the Victoria centre in Poole. I have also heard from I CAN, the National Autistic Society and Ambitious about Autism. I CAN has two special schools, Meath school in Surrey and Dawn House school in Nottingham, which specialise in providing intensive support for pupils aged four to 19 who have severe or complex language and communication needs. As well as supporting children directly in their settings, I CAN schools provide outreach to the mainstream, facilitate academic research and provide an assessment service for local authorities and parents. Both schools were rated as outstanding in the 2011 Ofsted inspection care reports.

The National Autistic Society provides six specialist schools for children with autism and complex needs. Inspectors recognise that those schools are excellent and provide good out-of-school services. Ambitious about Autism runs the TreeHouse school, with its outstanding provision; I am proud to have visited it. I mention those schools to give a flavour of the type of school that I wish talk about today.

I thank the Minister for generously allocating time to meet representatives from NASS earlier this year. However, its concerns remain and I am pleased to have secured this debate so that I can seek further clarification about the future of the sector in the Government's vision for provision for children with special educational needs. There is deep concern that non-maintained and independent special schools are misunderstood or have been overlooked by policy makers. As a result, the sector faces a number of challenges in connection with its funding arrangements and the policy environment in which it must operate.

Ambitious for Autism has written to me, and I would like to share what it says with the Chamber. The Minister will be aware there are over 70 non-maintained special schools; they are approved by the Secretary of State for Education under section 342 of the Education Act 1996. To become approved, the schools have to be non-profit making and have demonstrated that they operate to a level at least equivalent to state maintained special schools. Their day-to-day running must be controlled by a governing body, the articles and instruments of which are to be agreed by the Secretary of State. To keep that status, schools must comply with the non-maintained special school regulations. Local authorities fund pupils to attend them. The schools cater for pupils with extreme and/or low incidence difficulties, and they provide specialist schooling.

The charity writes:

> "While we welcome the diversification of provision for children with special educational needs, the creation of special academies and special free schools has created additional complexities and uncertainties for the special school sector.
>
> Non-maintained special schools share many key characteristics with special academies and free schools, in that they are effectively special schools with freedom from local authority control but are not independent schools. However, the funding systems for these types of schools are all different, which creates unnecessary complexity and confusion in the system, as well as the potential for an unfair playing field.
>
> Furthermore, special schools are being asked to apply to become special academies and special free schools without adequate information about the funding implications. This information is essential if the Government is asking schools to consider these options and make informed decisions.
>
> Ambitious about Autism is increasingly concerned that a new and separate model is being developed with very little regard for the impact that this may have on a large number of highly successful schools that continue to provide an excellent education to some of the most complex children in England. We would welcome the opportunity to further engage with Ministers about new funding arrangements."

For the purposes of this debate, I turn to the Green Paper on SEN, and specifically to page 52, which clearly states that parents will have the right to express a preference for any state funded school, including academies and free schools, but that does not seem to extend to non-maintained and independent special schools. That is despite the Government's commitment to develop a national banded framework for funding provision for children and young people with SEN that has the potential to create greater transparency of funding. That needs clarification, as both non-maintained and independent special schools are usually funded by local authorities rather than parental placements, which means that in legal terms they are similar to academies and free schools and have less in common with the mainstream independent sector.

NASS is concerned about a response given by the Minister to the Select Committee on Education, which it says implies that parents will get the choice of a non-maintained and independent special school only after other local options have been considered. The association believes that this exclusion is based on untested

assumptions that non-maintained and independent special school placements are always more expensive than similar placements in the maintained sector, and it calls on the Government to give parents the right to express a preference for a non-maintained or independent special school.

I hope that the Minister recognises those concerns and that she will give a clear answer on whether parents will be able to choose non-maintained or independent special schools. We also need to know why parents are given the choice of free schools but not schools from the non-maintained or independent sector.

The perception is that places at non-maintained special schools are consistently more expensive than local authority provided packages of support for children with the same level of need. NASS quotes the Minister as speaking of parents pressurising local authorities for expensive independent school places, but that should not be needed if the Government get early intervention right. There are two issues here: is provision more expensive, and will early intervention obviate the need for highly specialist provision?

On the first, as a former chair of education for a small local authority, I understand only too well the financial pressures of providing expensive placements. The costs of providing the right services for a child with complex needs are high. However, a local authority should not have to fund entirely these low-incidence cases, as such highly specialised provision is likely to be provided over a wide area.

In a recent constituency case, a young person with autism needed a highly specialised course that entailed residential provision. Some children and young people with autism and many other conditions have extremely complex needs and need highly specialist provision with perhaps a 24-hour curriculum. Obviously, in this period of reduced resources, it is crucial that the Department for Education and local authorities do more to achieve better value for money in the commissioning and delivery of special educational needs. As there is lack of information available in the SEN sector about cost-effectiveness, I urge the Department for Education to commission research on the cost of placements in the non-maintained and maintained special school sectors. The non-maintained sector obviously has accommodation, social care, health and allied therapy costs that will be reflected in direct financial transactions, so we need true costings for both sectors. That would go some way towards ensuring that there is a level playing field between the non-maintained and maintained special school sectors and that value for money is delivered at this time of fiscal restraint.

What evidence can the Minister point to that indicates that places at independent and non-maintained special schools are consistently more expensive than local authority packages of support for children with the same level of need? If there is no evidence on that at the moment, can it be collected?

There cannot be any disagreement about the value of intervention in early childhood for children whose needs can be identified early. In addition, the SEN Green Paper asserts that good early intervention will reduce the need for placements in non-maintained and independent special schools. NASS is concerned that that reinforces the view that placements in its sector are made only as a result of family breakdown or poor early placements. The small group of children who actively benefit from residential placements would like the Green Paper to say more about the role of residential provision and how it will be supported or explored further. Will the Minister provide some comment on that matter?

NASS would like greater recognition by the Government of early intervention for emergent special educational needs later in childhood. Although those often relate to early life experiences, some social, emotional and behavioural difficulties are not apparent until later in the child's life. Often such young people are then subjected to multiple interventions before specialist assessment and support is offered. NASS would like to see this group of children and young people better reflected in the Green Paper.

I have two specific concerns about the treatment of this sector compared with the maintained sector, particularly bearing in mind the fact that 99% of places are funded through the public purse as a result of local authorities making placements. In legal terms, it is very similar to academies and free schools, and it has less in common with the mainstream independent sector.

One concern relates to specialist school funding. NASS discovered by chance that funding for non-maintained special education schools had not been allocated as part of the move to direct school grant funding. It was concerned about that, especially as it seemed that those schools under local authority control had actually received a commitment that money would still be passed on to them. It seems that there was a communication problem within the Department, and the schools will now receive only a proportion of the money they were originally expecting. Clearly, there are some concerns, especially around communication.

At the end of July, NASS was made aware that new non-maintained special school regulations had been laid before Parliament on 8 July—they came into force on 1 September 2011. Neither NASS nor the schools had been made aware that that had happened. By then, schools were on summer holidays and were unaware of the new regulations to which they were returning in September. I am aware that NASS contacted officials at the Department for Education and also wrote to the Secretary of State for Education in August 2011, but it is still awaiting an official response.

Finally, special schools in the independent sector are concerned about Lord Hutton's recent review of public service pensions. There is great concern that teachers in the independent sector might be excluded from the pension scheme, which would affect movement between the two different sectors quite considerably and could affect the supply of highly qualified and specialised teachers.

In conclusion, will the Minister provide assurances that the excellent specialist provision that the sector provides for some of the most complex children is recognised and is not hindered, and that there will be a level playing field in which such schools can operate?

1.16 pm

Rehman Chishti (Gillingham and Rainham) (Con): I congratulate my hon. Friend the Member for Mid Dorset and North Poole (Annette Brooke) on securing this important debate. May I also say that it is a pleasure to serve under your chairmanship, Mrs Main?

[Rehman Chishti]

I should like to cover three specific points that the independent sector has raised with me. First, will personal budgets proposed in the SEN Green Paper be available to enable parents to purchase provision in the independent sector? Secondly, is there any desire to implement the auxiliary aids and services provisions for education in the Equality Act 2010? That could have a huge impact on independent schools, with schools having to fund additional provision which, historically, individual parents have paid for under their contractual arrangement with independent schools.

Finally, if an independent school does not offer a place to a pupil with special educational needs, the school could be open to a disability discrimination challenge, while mainstream pupils who are refused places have no such rights. Is it right that an independent school should find itself in such a position? The place will have been refused for sustainable reasons yet the schools are "forced" to spend thousands in order to defend their position with no prospect of being awarded costs even if they are successful in defending the claim at a tribunal. I said that I would be brief. Those are the three specific points on which I seek clarification from the Minister.

1.17 pm

The Minister of State, Department for Education (Sarah Teather): It is a pleasure to serve under your chairmanship, Mrs Main. I think it is the first time that I have been in Westminster Hall when you have been in the Chair.

I congratulate my hon. Friend the Member for Mid Dorset and North Poole (Annette Brooke) on securing this useful and timely debate. I am aware of her long-standing interest in this issue. She kindly mentioned that I attended a meeting that she called with a number of schools from her area and nationally. I am grateful to have this opportunity to place some issues on the record and to clarify some of the points that she has raised.

Independent and non-maintained special schools play a valuable role in supporting some of our most vulnerable children and young people, many of whom have very complex needs, and they also have considerable expertise to offer other schools. My hon. Friend mentioned a number of schools in her constituency, outlined their particular expertise and what they are able to offer to children and families. I pay tribute to the impressive work that schools in her constituency and across the country do in supporting children and families. They make an invaluable contribution to supporting children and to the sector as a whole. Independent and non-maintained schools are an established part of the landscape of special educational needs provision in this country and they form an integral part of the diverse range of schools that we are seeking to establish, in order to improve choice for parents and support for children and young people.

In the time available to me, I want to try to pick up on the points that were made by my hon. Friend and by the hon. Member for Gillingham and Rainham (Rehman Chishti). Both hon. Members will be aware that this debate takes place relatively soon after we published a Green Paper on SEN and disability. We carried out a consultation that received 2,400 responses and we are going through all those responses. They were very varied, coming from education professionals, including teachers, families and health workers. Later this year, we will publish a formal response. So I take this debate in the spirit of that consultation. We are still in a period of gathering information and views about our Green Paper before deciding how to work through some of the proposals that we made and to ensure that we get the detail correct. During this period, we are also establishing local pathfinders to test out some of the best ways of delivering the change that we have proposed. We will announce details of those pathfinders later this month.

My hon. Friend made a number of specific points about naming schools and school choice. It is perhaps worth my placing on record what the Green Paper says. We are widening the range of schools from which parents can choose by enabling parents, teachers and others to set up free schools and by allowing existing schools to become academies. The free schools route also provides an opportunity for non-maintained schools to seek academy status if they wish to do so. We intend to change the law so that parents of children who would have an education, health and care plan have the right to express a preference for any state-funded school and to have that preference considered on the same basis, whether it is for a special school, a mainstream school, an academy or a free school.

My hon. Friend asked why we have not made a similar provision for parents to express a formal preference and then for local authorities to name a school if it is a non-maintained school or an independent school. It is about the original purpose of the legislation, which is to ensure that parents get that choice—often when a school may not choose to take the child. As she will be well aware, the process is that parents are able to express a preference and the local authority will then consider whether that is the right placement for that child, subject to the legal provisions about the best use of resources and whether it will have any detrimental effect on the education of other children. At that point, if the local authority agrees—if it does not meet the conditions, it has to agree—to place the child in that school, it formally names that school and the school is forced to take the child.

Of course, non-maintained schools and independent schools do not want to be forced to take a child and, in a sense, that is a point that the hon. Member for Gillingham and Rainham made when he raised wider issues about disability discrimination legislation. We have a diverse range of schools and there are balances of freedoms and restrictions applied to different schools. If non-maintained schools want to take on slightly different freedoms but also different restrictions, they have the freedom to apply for academy status, and independent schools have the ability to apply for free school status, as I outlined a while ago. In doing so, they trade some of the freedoms that they already have and gain different restrictions. Therefore, it does not make sense in that situation to extend the legislation so that schools would be forced to take a child, and I do not think that that is something that those schools would want to do. However, I stress that parents will continue to have the right to make representations for a place at a school that is not state-funded and the local authority must take those representations into account when it makes its decisions on placements. We are not proposing any change to that process in the Green Paper.

My hon. Friend raised points about whether non-maintained special schools and independent schools are always more expensive. She quoted some things that I had said at a hearing of the Select Committee on Education. I think that they have been taken very slightly out of context. It is true to say that some independent schools and some non-maintained schools are more expensive than state-funded provision, but I have not said at any stage that all non-maintained special schools and all independent schools are always more expensive. It would simply be incorrect to say that. We have spoken to the National Association of Independent Schools and Non-Maintained Special Schools on this point and we have tried to encourage it to submit its own evidence about costs to the review about school funding, which is ongoing. We are out to consultation until about mid-October and we encourage those in the sector to submit what evidence they have about costs and to say whether full costs are being taken into account. Such evidence would be very useful when we are considering what we do with pupils, particularly those high-cost pupils about whom my hon. Friend spoke earlier.

It is also worth saying that local authorities are obliged to make decisions about placements on an individual basis. There is no doubt that for some children attending an independent or non-maintained special school will be absolutely the appropriate and right course of action for them, and the local authority is then required to fund a place for the child at that school. In fact, the number of children who are being educated in the independent sector has risen, not fallen, during the past five years.

My hon. Friend made some points about a local offer and the information that is available to parents. Local authorities already have a statutory duty to give parents information about non-maintained special schools and independent schools in their area. It is up to local authorities to decide whether to include that information in their local offer and that is something that we would like local authorities to develop on a local basis.

My hon. Friend did not mention the issue of the work force, but I wanted to make a couple of points about that because NASS raised it with us in its response to our consultation on the Green Paper. Independent and non-maintained special schools can now apply to become teaching schools if they are rated "outstanding" by Ofsted and have experience of collaborating with other schools. As I said earlier, however, those schools have such a lot of expertise that I want to encourage them to join an alliance with other schools in their area to form a teaching schools partnership, so that we can ensure that we are making use of the expertise that they have.

My hon. Friend very fairly made some criticisms about communication between the Department for Education and other organisations, particularly NASS, in the past few months. Those criticisms are absolutely fair and valid. Indeed, I wrote to Claire Dorer of NASS just this week to say that some of the failures of communication have been, in my view, inexcusable and that I am absolutely determined to ensure that they are not repeated. The Department is in regular contact with NASS on many of the points that my hon. Friend has raised. It is not an excuse, but by way of offering an explanation I will say that there has been some reorganisation within the Department about responsibility for some of these issues and unfortunately that has led to some issues of miscommunication.

I will come back to the other points that my hon. Friend made, but first I will address the specific questions that the hon. Member for Gillingham and Rainham asked. He asked about personal budgets and whether parents would be able to buy provision in the independent sector. The answer is yes, but we think that it is unlikely to apply to the whole school place. That is something that we are testing at the moment through our pathfinder schemes, but we think that it is unlikely to be practical to apply to the whole school place. Of course, as I stated a short time ago, if that provision is correct for a child, local authorities are already bound to fund the whole school place anyway, but they may well be able to pay for some of the extra provision that might be offered in a particular school.

Are we going to implement the auxiliary aids and services regulations? It is our intention to do so. There has been some delay in our doing so. Of course, the regulations will apply to all schools and not just to independent schools; all schools will be bound by them.

The hon. Gentleman also made the point about independent schools being open to disability discrimination challenge if they fail to accept a child. That is the flipside of the other point that my hon. Friend the Member for Mid Dorset and North Poole made earlier about naming a school. If a school is state-funded, the local authority can specifically name it and ensure that it is forced to take a child. It is a similar attempt to protect things for families.

In the last minute available to me, I want to respond to the points that my hon. Friend made about the Hutton report. We are, of course, looking at this issue as we consider how to deal with the detail of the recommendations made by the Hutton commission. There will be some issues to balance about what we do and there are, of course, pros and cons attached to private sector bodies' participation in public sector pension schemes. That is something that we will have to consider with the teaching profession as a whole, but I understand the points that my hon. Friend raised.

In the time available to me today, I have done my best to answer all the points that my hon. Friend has made. There are two other points about funding on which I will respond to her in writing, but I hope that I have responded to all the other points that she has raised.

Palestinian State (UN Membership)

1.30 pm

Richard Burden (Birmingham, Northfield) (Lab): I am very grateful, Mrs Main, to have the opportunity to debate this very important and timely issue. I thank the Minister for being with us today; I realise that since he has been in government, as Minister for Europe, this matter has not been his brief, but I know that he is well versed in it because it was part of his shadow brief. I very much hope that he will be able to give us some idea of the UK Government's current thinking. I thank also the hon. Friends and hon. Members on both sides who are present; the level of attendance reflects the interest in the subject.

The context of this debate is the early-day motion that was tabled yesterday by my right hon. Friend the Member for Cynon Valley (Ann Clwyd). She wished to be with us today but unfortunately could not be. The early-day motion calls on our Government to recognise an independent Palestinian state, alongside Israel, and to support its admission to the United Nations. The early-day motion is already supported by over 40 right hon. and hon. Members, and I am sure that more will add their name in the coming days.

Time is very limited, and before I move on to the issue of Palestinian statehood, I want to say that recent weeks have given us all a timely reminder that this conflict has already claimed far too many lives. We have seen Israeli and Palestinian civilians killed, including children on the Palestinian side. At least 15 Palestinians and nine Israelis have been killed in the past few weeks, and many more have been injured. I am also concerned about reports that the Israeli military is apparently planning to train settlers in the west bank and arm them with tear gas and stun grenades, and that it is talking up confrontation around the possibility of a vote at the United Nations in a few weeks' time. I would be grateful if the Minister briefly explained what representation the UK Government are making to the Palestinian Authority, the Israeli Government and others, to encourage them to avoid any escalation of violence or confrontation in the run-up to the UN meeting.

Every debate and I think virtually every Foreign Office questions I have attended since I have been in this place in which the subject of Palestine and Israel has come up has returned to the fact that we all support a two-state solution. Based on what we say, I think that few things have a greater degree of consensus in this House, but what the Palestinians are asking of us now, in their initiative at the United Nations, is no more and no less than for us to mean it—to do what we say. The Palestinians are not asking for anything that Israel has not demanded and had recognised by the international community for more than 60 years.

I hear opponents of recognition suggest that the recognition of Palestine as a state and its admission to full membership of the United Nations should be treated differently—that somehow it is a way of avoiding the urgent need for a negotiated settlement. I do not believe that those two things are contradictory.

Alex Cunningham (Stockton North) (Lab): I congratulate my hon. Friend on securing this debate at such an important time. I have recently returned from a trip to the Gaza strip, where I learnt at first hand about the plight of the Palestinian people. A third of them depend on food aid, which is under threat. From talks with politicians, the United Nations and others, it appears—

Mrs Anne Main (in the Chair): May I ask the hon. Gentleman to keep his remarks brief? A lot of people might make interventions.

Alex Cunningham: Okay. In talks that I was involved in, it was clear that the Palestinians felt that they did not have a voice. Does my hon. Friend agree that the granting of UN membership will provide them not only with that voice but with equality with others on that world stage?

Richard Burden: My hon. Friend makes a very good point about equality, because Israel is recognised as a full member of the United Nations and I am not aware of any state that says it should be derecognised as such. Israel has internationally recognised borders, delineated by the green line, and that has not been seen as an impediment to a negotiated settlement; indeed, in some cases recognition of Israel is seen as a precondition to a negotiated settlement. The Quartet has even suggested that individual political parties should be excluded from peace talks unless they sign up, unilaterally and in advance, to recognition of Israel.

Jack Lopresti (Filton and Bradley Stoke) (Con): Will the hon. Gentleman give way?

Richard Burden: Before I give way I want to say that I will take as many interventions as I can, but we are limited to half an hour and I want to allow the Minister time to make some remarks.

Jack Lopresti: Does not the hon. Gentleman agree that granting the Palestinian Authority UN membership would embolden extremists, who would view it as a reward for refusing to make concessions for peace?

Richard Burden: No, I do not agree. If the hon. Gentleman wishes to talk about the fact that having extremists in government should be an impediment to recognition of the state that that Government represents, he could perhaps look at some members of the Israeli Government, particularly the Foreign Minister.

As I have said, the Quartet has even suggested that some parties should be excluded from peace talks unless they sign up in advance to recognition of Israel, but if recognition is so fundamental in respect of Israel, what is the problem with recognising Palestine as a state, as requested by the Palestinian people, and accepting it as a full member of the same United Nations, with precisely the same borders as those that are recognised for Israel—in other words, the green line?

Jeremy Corbyn (Islington North) (Lab): Does my hon. Friend not recognise that a big problem is that Israel is occupying large parts of Palestine and, more importantly, that Israel refuses to recognise what its own borders are?

Richard Burden: Israel does appear to have the problem of not being able to decide exactly where its own borders are, but the international community is very clear about where they are, as are successive United Nations resolutions: the green line.

What the early-day motion simply says, and what I and the Palestinians are saying, is that the same border should apply on both sides, for a Palestinian state and an Israeli state. When the Minister responds, will he give the UK Government's view on that? Does he see recognition of a Palestinian state as an obstacle to a negotiated settlement, and if so, what impediments has he identified, and why does he believe that they would hinder such a settlement? Why, if they are impediments to the recognition of Palestine, are they not seen to be impediments to the recognition of Israel that we all accept? If the Minister does not agree that recognition is an obstacle, does he agree that recognising Palestine at the United Nations would not prevent the future negotiations, which we all agree are needed to reach a lasting settlement, from taking place?

Jim Shannon (Strangford) (DUP): I declare an interest as a member of Friends of Israel. Does the hon. Member agree that Palestine should also recognise Israel in every sense of the word, and that part of that recognition should be that terrorist attacks coming from Palestinian lands towards Israel should cease? Does he agree that that would be a gesture that should be done as well?

Richard Burden: I and, as far as I know, everyone in this room is on record as calling on both sides to cease violence against the other. If the hon. Member is active in Friends of Israel he would perhaps already be aware that Israel is recognised: Palestine recognised Israel many years ago. Israel is a member of the United Nations and no one has called for it to be removed, or for its derecognition.

Michael Connarty (Linlithgow and East Falkirk) (Lab): When we visited Lebanon in January, we were impressed by the offer by that country's Prime Minister that if the Palestinian Authority or, in fact, a UN-recognised Palestinian state, gave an identity card to the people of Palestine living in Lebanon, those people would be freed up to take up employment and break through all the barriers that do not allow them to have a decent life in that country. Is that not another incentive for the UN to recognise the state of Palestine?

Richard Burden: My hon. Friend makes a very good point. I am not alone in making the points that I am making in this debate. As the early-day motion tabled by my right hon. Friend the Member for Cynon Valley notes, 122 countries, representing nearly 90% of the world's population, recognise Palestine. Even among Israelis, polls suggest that 48% support recognition and only 41% oppose it.

What is more, last year, President Obama set a target of September 2011 for welcoming the independent sovereign state of Palestine as a new member of the United Nations. That aim was endorsed by the UK last year. The Palestinian Prime Minister, Salam Fayyad, has been congratulated many times by the international community and in this place for the state-building work that he has led, and the Palestinian Authority have been congratulated by many leading international organisations. Recent reports by the World Bank, the International Monetary Fund, the EU and the UN have all said that not only is Palestine ready for statehood, it already operates as a state in many ways. Does the Minister share the view of those major institutions that Palestine has proved itself ready to function as a state? If not, what more does Palestine need to do either to be recognised as a state or to gain full membership of the United Nations? If the two differ, what must Palestine do to meet each requirement?

Statehood does not solve everything. A negotiated settlement will still be needed, and the parties will still need to come together to agree the many difficult issues that lie at the heart of the conflict in the middle east. However, the Palestinians look at it in this way. The international community's continuing unwillingness to make recognition of Palestine's right to statehood more than theoretical means that in practice, Palestine's chance of achieving a two-state solution shrinks with every month that passes. It shrinks with every settlement built or expanded in the west bank. It shrinks with every roadblock that cuts the west bank into Bantustans. It shrinks with every Palestinian home demolished in east Jerusalem, with every Palestinian farmer cut off from the land that he or she cultivates by the construction of Israel's barrier within the west bank rather than along the green line and with every olive grove destroyed by Israeli settlers. It shrinks with every Gaza fisherman prevented from fishing in waters off the Gaza coast, with every Palestinian workshop prevented from exporting its goods from Gaza into Israel or the wider world and with every truckload of reconstruction equipment prevented from entering Gaza to rebuild homes shattered by war.

That is why Nabil Abu Rudeina, the spokesman for President Mahmoud Abbas, said recently:

> "As long as Israel's settlement activities continue and as long as Israel refuses to accept the 1967 borders, after 60 years of occupation, we have no other choice but to turn to the international community. We are not declaring war. We are applying to the United Nations."

After the Arab spring, at a time when the UK Government have been at the forefront of support for people calling for self-determination across the middle east, are we really saying that the Palestinian people should be different? If not, we return to the essential question. It is not about what we keep saying; it is about deciding what we are going to do.

The EU has said clearly that individual states must make up their own minds on the matter at the UN. When will the UK decide whether it will recognise Palestine and support its admission to full UN membership, if that is the recognition that the Palestinians ask for? In practical terms, what is preventing the UK Government from doing so now?

It is time to help to level the playing field and to support alongside the independent and recognised state of Israel an independent and recognised state of Palestine. Both peoples' legitimate right to self-determination must be realised. The two states can then enter into negotiations on an equal footing to agree the details of a lasting and peaceful two-state solution and the final borders between those two states based on justice and international law. That is all that the Palestinians ask. Why is it so difficult for us to agree to it?

1.44 pm

The Minister for Europe (Mr David Lidington): I thank and pay tribute to the hon. Member for Birmingham, Northfield (Richard Burden) not just for securing this important debate but for the way in which, for many years, he has championed the cause of the Palestinian

[Mr David Lidington]

people with commitment, passion and, in my experience, always with immense courtesy to other Members, whether they agree with or differ from him on the issue. The events in the middle east are important to him and to everybody in the House; the attendance at this debate demonstrates the importance that the House gives to the matter.

It is also right for me to say that despite everything else that has been going on the Arab world in the past 12 months—in north Africa, Syria and Lebanon—the Foreign Secretary and the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for North East Bedfordshire (Alistair Burt) have consistently held the view that finding a just and peaceful settlement between the Israelis and the Palestinians must remain a central part of British and international policy towards that region. I have heard my right hon. Friend the Foreign Secretary say on many different occasions that what has been happening in the Arab world makes it more urgent, not less, that the international community should use every bit of leverage that it has and every bit of diplomatic energy that it can spare to press for that settlement to be agreed sooner rather than later.

This is the 20th year of the middle east peace process, and it has been 20 years since the Madrid conference was launched, but if we are honest, not much has changed for Palestinians and Israelis in the 20 years since the Oslo accords were signed. Israelis continue to face threats from violent extremists, and Palestinians, as the hon. Member for Birmingham, Northfield said, still have no state. The United Kingdom Government, whatever party has been in office, have long made it clear that peace in the middle east enabling a resolution of that long-running dispute has enormous importance for both global and regional security. The goal of the international community should be to ensure that this is the last year of process and the beginning of a lasting agreement between the parties.

After the events of the past few months, the world can no longer claim that change in the middle east will come slowly and incrementally, nor can we allow the middle east peace process to limp along indefinitely as it has done. If the peace process becomes a casualty of wider regional change, that will feed instability and violence rather than democracy and human development.

The Government believe that there is no alternative to negotiations to address all the fundamental issues at the heart of the Israel-Palestine conflict. A solution cannot be imposed from outside, although other countries can influence those directly involved. We want the parties themselves to redouble their efforts to break the impasse and resume negotiations for a two-state solution before the window to such a solution closes. Bold leadership is needed on all sides. Neither Israel nor the Palestinians can afford to let the opportunity for peace slip further from their grasp. In our view, the two-state solution, however difficult it is and however narrow the remaining window of opportunity, is the only way to realise both the aspiration of Palestinians for a state of their own and the long-term security that Israelis deserve.

This month marks the time frame set out by President Obama for welcoming Palestine as a full member of the United Nations. September also marks an important waypoint in the Palestinian Authority's good work on their state-building programme. I applaud and welcome the progress made by the Palestinian Authority on institution-building and financial management initiatives, which the United Kingdom has supported. We recently signed a memorandum of understanding to continue to support the Palestinian Authority in their work to build up the institutions of the embryonic state and support the Palestinian people. In the current financial year, the Department for International Development expects to provide almost £80 million to this end as part of a total of £275 million allocated to the occupied Palestinian territories for the next four years. We hope that the Palestinian Authority will complement this admirable work on state building with the necessary progress on the political track.

I understand clearly, and remember from the visits that I paid to the occupied territories during my time as shadow spokesman on the middle east, the sense of anger and growing frustration that exists among ordinary Palestinians at the things about which the hon. Gentleman has spoken—the settlement building, the roadblocks, the demolition of Palestinian homes and the construction of a barrier, the reason for which one can understand in terms of Israel's security needs, but which goes beyond the green line and which, as the hon. Gentleman has said, in too many places separates working rural families from their farmland or makes it more difficult for Palestinian workers to travel to their accustomed place of work in Israeli-administered areas.

The Prime Minister made our position on UN recognition of a Palestinian state clear during President Obama's visit in May. He agreed with the President that a Palestinian state was a legitimate goal, but the best way of achieving this was through a comprehensive agreement between Israel and the Palestinians.

This is an important issue for Britain for four key reasons. First, as I have said, the Israeli-Palestinian conflict remains one of our top priorities. Secondly, there is a sense of growing frustration and pressure among the Palestinian people, which threatens the stability that we have seen over the past year. At a time when we have seen people all around the Arab world fighting for, and realising, their rights to shape the societies and Governments under which they live, it is only just that the Palestinians too should realise their goal of an independent, viable state of Palestine.

Thirdly, the security of Israel and her prosperity matters deeply to the United Kingdom as an important strategic partner and friend. We have long said that Israel's own need for long-term security can only be assured if there is a comprehensive settlement to the Israel-Palestine dispute, including the creation of an independent, sovereign and contiguous Palestinian state.

Ian Lavery (Wansbeck) (Lab): Does the Minister agree that, under international law, Palestine fulfils all the requirements to become a recognised state?

Mr Lidington: I think that one could find different lawyers who would be prepared to argue almost any point of detail on that question. I want to come on to the point about national recognition and the UN position. I make it clear that the Government's position is that we believe that, whatever we say or vote for in this Chamber and whatever is voted for in the United Nations, whether

in the Security Council or the General Assembly, a lasting, enduring, peaceful settlement on the ground is something that, in practice, will only be secured through negotiation, not by resolutions passed in a particular place.

Mark Durkan (Foyle) (SDLP): In the context of all the negotiations that have taken place or that have, at times, broken down, we have often heard from Israel that the problem from its perspective is that it does not have a reliable, equivalent partner with which to negotiate. Would not some progress in terms of recognition of statehood remove some of the claimed problem that Israel says it has in the context of this very frustrating negotiating process?

Mr Lidington: I understand the hon. Gentleman's argument, but we also have to accept the political reality that various acts have taken place in the past few years that have made it difficult to keep negotiations going. Direct negotiations of a serious character are not now taking place. In the absence of such negotiations, I think that there is simply going to be greater bitterness, greater difficulty and the narrowing still further of that window of opportunity for the successful creation of a two-state solution. I think that the emphasis for the United Kingdom and the international community should be on trying to get those negotiations back on track.

My fourth and final point about why this matters to Britain is that, of course, the dispute deeply affects the politics of the broader region, and the fluid dynamic resulting from the Arab spring makes the prize of stability that would come from an Israel-Palestine agreement even more significant.

We want to see a return to negotiations on the basis agreed by the Prime Minister and President Obama. The United Kingdom Government want to see borders based on 1967 lines with mutually agreed swaps, security for Israel, and the right for Palestinians to govern themselves in a sovereign and contiguous state. We see Jerusalem as being a shared city which will be the capital of both countries, and we also of course accept that there needs to be an agreed and just solution for Palestinian refugees.

Jeremy Corbyn: I thank the Minister for giving way; he is being most generous with his time. Can he cast any light on the Government's views on the plight of Palestinian refugees in Lebanon, Syria and Jordan in particular, and what would happen to their status in respect of recognition of a Palestinian state?

Mr Lidington: The detail of that is something that will have to be worked out in negotiations. I think it is fair to say that the negotiations that took place between President Abbas and former Prime Minister Olmert began to address the issue of refugees, even though no final agreement could be reached before Mr Olmert left office. Our view on the humanitarian treatment of those people, particularly in Lebanon where there are some serious problems concerning the treatment of Palestinian refugees, is that we urge the host Governments to treat those Palestinian refugees fairly, humanely and equally.

Richard Burden: Will the Minister give way?

Mr Lidington: I will give way, but I am conscious that I want to respond to the key point of the hon. Gentleman's speech.

Richard Burden: I hope that the Minister will do that and I will make my question brief. I agree completely with what he has said about the need for a comprehensive settlement to achieve peace, but my question is: do the UK Government see the recognition of a Palestinian state as an impediment to achieving that comprehensive settlement? If not, why do we not do it?

Mr Lidington: We think that the recognition of a Palestinian state is something that needs to be achieved within the framework of negotiations. That is certainly the best way in which to go about it. It now looks as if Palestinian action at the United Nations this month is increasingly likely. We are working closely with partners to build consensus on a way forward that recognises the progress Palestinians have made on their state-building efforts, that meets Israel's legitimate security concerns, and that avoids confrontation at the UN, which would have a damaging effect on the resumption of negotiations. Whatever action is taken in New York, it is important that that increases and does not diminish the prospects for a return to negotiations. We have reserved our position on the question of recognition of a Palestinian state while we continue to urge all parties back to talks. Recognition is a matter for each Government to decide bilaterally and, if needed—no resolution has yet been tabled—we will take a decision nearer the time, in consultation with the European Union and other partners.

It is important to remember that action in the UN is not an end in itself. September is not the closing date for resolution of this conflict. What happens afterwards is vital, which is why our goal remains ensuring that steps are taken now to pave the way for significant and conclusive talks, and why we believe it is vital that any action in the UN does nothing to endanger the prospect of such talks.

Martin Horwood (Cheltenham) (LD): As co-chair of the Liberal Democrat international affairs committee, I would welcome a British yes vote in September. Is not the irony of the American and Israeli position in opposition to this that both the United States and Israel themselves declared their own statehood in advance of the final resolution of their negotiated borders and many other issues?

Mr Lidington: The hon. Gentleman makes his point tellingly and well, but I will not be drawn into 1776 and all that. We want the new generation of Palestinians to grow up in hope, not despair, believing in a peaceful settlement with Israel, and not impoverished and not susceptible to terrorist recruitment. I want to assure the House that this Government will not cease in our efforts to support the parties in finding a long-term sustainable solution to this conflict that will make that vision a reality.

2 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).

Westminster Hall

Wednesday 7 September 2011

[MR PHILIP HOLLOBONE *in the Chair*]

Disabled Young People (Support)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr Dunne.]*

9.30 am

Stephen Lloyd (Eastbourne) (LD): It is a privilege to serve under your chairmanship, Mr Hollobone. I am delighted to have secured this debate on support for disabled young people. I have called for this debate today because I have had serious concerns for some time about the inadequate transitional arrangements for many disabled children, particularly those with learning disabilities in the key period from childhood to adulthood. Having spoken to a number of disability charities such as Mencap and the National Autistic Society, as well as others, it is clear that problems with transition, as many of us in the Chamber know, have been going on for many years. I wished to secure the debate so that the Minister could reassure me that the coalition Government understand that there is a problem with transition and can outline how they propose to tackle that problem.

I should like to outline the common challenges that many parents of disabled children, and the young men and women themselves, experience once they are over the age of 17 or, in some cases, 16. Preparation for adulthood is a time of challenge and celebration for all young people, but for disabled young people, more often than not, it is a time of particular challenges. The Transition Support Programme and the wider Aiming High for Disabled Children programme, 2008-2011, resulted in improved consistency of support to young people and families across the country, including greater expectations that disabled young people would achieve their goals for adult life, so I am disappointed that those programmes are no longer running and would welcome the Minister's comments on what will replace them.

As many hon. Members know from their postbags, parents of disabled people have to deal with numerous statutory services, from local councils in relation to disability access and provision in the home, to social services with regard to helping them to manage and providing respite care. Parents often have a great deal of contact with the local hospital or NHS to help the family with whatever the disability may be, particularly if it is a profound disability. For each disabled child, there is supposed to be a social worker who helps to co-ordinate all the different services. However, that key worker service ceases once the child reaches adulthood—if they were fortunate enough to have had a key worker.

Tussie Myerson, who contacted my office to share her daughter's story, told me about one such case. Her daughter Emmy is 20 and profoundly disabled. Incidentally, Emmy's story was first told in Parliament eight years ago, when the right hon. Member for Witney (Mr Cameron) was her MP. Since then, regretfully, her story has not much improved. Emmy, and her mother and father, have not had contact with a social worker for six years and have never had any contact with a key worker or benefited from any transition arrangements.

In 2006, the National Autistic Society surveyed its members on their experience of transition. It found that only 53% of young people with statements received transition plans during the course of their education, with the figure falling to 34% of students in mainstream schools—and that is a legal obligation. Unsurprisingly, 45% of those who participated in transition planning were dissatisfied with the whole process. One issue has crept up again and again as I have delved into the provision of support for young disabled people: the lack of—forgive the cliché—joined up, co-ordinated provision and a failure to share best practice between different authorities, leaving many parents to feel that the transition is something of a postcode lottery.

Emmy also had the misfortune of moving from one local authority to another, which her mother deemed to be a fiasco, to put it mildly. Emmy is now in her eighth year of legal wrangling with the local authority. She receives legal aid. I dread to think what the total cost of her legal fees might be, not to mention those of the local authority, but I am certain that without legal aid Emmy and her parents would not have been able to fight her case.

That is just one example. There are plenty more like it. When we get it wrong, disabled people suffer, their families suffer and, sadly, it can and does often lead up to the break-up of families.

Mark Tami (Alyn and Deeside) (Lab): I, too, have had parents of disabled children come to see me. It puts a terrible stress on them. Parents worry very much about the future. They do not know what the future holds for their child, particularly when they are no longer with us.

Stephen Lloyd: I agree. Sometimes the parents split due to the sheer strain—and not just of looking after a severely disabled child, which is a challenge, no matter how much the parents love them. The situation often leads to irrevocable strain between parents, which is one of the saddest things that I have seen. Like all hon. Members, I have seen a lot of desperate cases. Often, the reason why parents split up is because statutory authorities, though they often try to be helpful, are clunky, and lack consideration and co-ordination. That, as I will go on to explain, makes it much worse. It also costs a great deal of money for the family, local authorities and all the agencies. It is therefore imperative, particularly for disabled children going into transition, that we get it right first time. I am sure that the Minister and hon. Members can appreciate how complex and challenging such a scenario must be for both the disabled young adult and the parents.

I have been liaising for the debate with Mencap, which has been very helpful and supportive. It has put together a document that defines what a good transition must look like. In its view, which I share, it is defined by three stages: planning, process and destination. To be a successful transition, each stage must be followed effectively and, most importantly, tailored to the individual, but there are general principles that can be applied to each stage. It is recognised that all young people should be at the centre of their transition planning—that is incredibly

[Stephen Lloyd]

obvious. That is important for parents, uncles and aunts, and children without disability, but is doubly important when working with a disabled young adult. For young people with a learning disability, a plan will be achieved only if it is timely, accessible and diverse. To be ready for the start of their transition, young people should be encouraged to think about their options in year 8, so that they are adequately prepared for their review in year 9. In the run-up to and following their review, young people should have access to appropriate information about their rights and their options regarding their future. Ideally, the options presented to young disabled adults should be limitless. For all of us and for all disabled children, transition should be an exciting time for exploration, not a restricted choice of a predefined future.

No particular Governments or Government are at fault here; this has been a challenge for a long time. Even well before I was elected, I had people in my constituency come to see me who were absolutely petrified because their child was getting to the end of teenagedom and going into young adulthood. They knew that the key worker was going and that the services that supposedly, and often do, come automatically with young disabled children would disappear. It is no exaggeration to say that they were petrified.

If choice is to be at the heart of young people's transition, it is crucial that they be given the opportunity to explore their aspirations with the aim of reaching their potential. For young disabled people to have such aspirations, those around them must be aiming to achieve the highest quality of life for them. None of that is complicated or different—it is exactly the same for non-disabled young adults as for those who are disabled.

Throughout a young person's transition, the process should be co-ordinated and resourced. Although young disabled adults must be the director of their transition journey, it is crucial that the services supporting them be aware of each other's role in the process. The position of key worker for a young disabled adult is therefore vital, to keep all the professionals in the loop. Obviously, within that, it is about working very closely with the parents of someone who has a profound learning disability, because as well as the work done with the young disabled adult, the parents are best suited to help and guide the child to decide what is best. Often, profound learning disability is accompanied by communication challenges.

For each service to play its part, adequate resources must be provided, mainly that of time. Each professional involved must be prepared to work alongside the young person regularly, to offer support and advice. The transition process should, however, be as unobtrusive as possible, to allow the young disabled person to enjoy as best as possible an ordinary teenhood.

Jim Shannon (Strangford) (DUP): I am sure that the hon. Gentleman and many others in the House are aware of the good work of some voluntary organisations, such as the Prince's Trust, which I have visited and where I have spoken to some of the young people. Clearly, organisations out there are giving of their effort, time and commitment to help young people. Does he feel that the work of the Prince's Trust ought to be recognised and complimented in this Chamber today?

Stephen Lloyd: I agree totally. The Prince's Trust does outstanding work in this area throughout the United Kingdom. I am delighted to add that compliment into *Hansard*. The Prince's Trust does a fantastic job.

The final stage, which is the destination, is the most important. Young people's quality of life, as does everyone's, depends on satisfaction with their destination and opportunity to thrive in the future. The best outcome of a transition is for the young people to be living in a place that they have chosen and to be doing what they want to do, with the support that is right for them. If the transition planning and process are followed in the way that Mencap describes and that I have been delighted to outline, in our view the outcome can be expected to be positive.

On other challenges with older disabled children or young disabled adults, a report published by Ofsted last month has highlighted some significant failings in the system. Too many children in further education with disabilities are failing to gain the qualifications needed to get a job or to continue with their education. The report also highlights the reduced support available once such individuals reach 19, which means that they are often burdened with insufficient advice about personal budgets, the requirement to pay fees and uncertainty about benefits entitlement. In fact, a recent study reported that in 2009 an estimated 30% of young people who had a statement of special educational needs when they were in year 11 and 22% of young people with a declared disability were not in any form of education, employment or training when they reached the age of 18, compared with 13% of their peers. Current figures from the labour force survey for the first quarter of 2011 show that 41% of men and 43% of women designated longer-term disabled were economically inactive. Surely such a high figure historically shows that little progress has been made in recent years. It is time that we all do more to do better by our young disabled fellow citizens.

Although since 2008 local authorities have been required to carry out multi-agency assessments for pupils with statements of need or in receipt of support before their transition to a post-16 provider, inspectors found that those arrangements were not working effectively. Providers had received a completed learning difficulty assessment in only a third of the case studies in which one should have been made available.

Kate Green (Stretford and Urmston) (Lab): I am delighted that the hon. Gentleman secured this important debate. Does he agree that there also is a problem earlier in the process, in the through-planning as children move from primary to secondary school? The assessments often take place after the child has arrived in secondary school, rather than in advance to enable preparation to be made for it.

Stephen Lloyd: Yes, I agree. I will touch on what the Green Paper says about SEN, but the problem that the hon. Lady raises is clearly of long standing.

The learning difficulty assessments were found to be not always timely or adequately completed, and did not form a reliable basis on which to plan support or an appropriate programme of learning. The transition at age 19 from children's to adult services, and from the Young People's Learning Agency to the Skills Funding Agency, created barriers for learners when they encountered

different criteria for funding. Learners and their parents or carers identified that they would have welcomed more advice and careers guidance when they received a personal budget for purchasing a learning programme, care and support.

I am conscious, as I am sure the Minister is, that I am covering a range of responsibilities which is perhaps broader than her remit, but that is the reality of disability, in particular in the transition for disabled children or young adults, because so many different areas of Government and statutory services are touched. As I was drafting my speech, I half envisaged five different Ministers from the different Departments attending today because the subject covers such a wide area, but somehow I knew, even with my delusions of grandeur, that that would be unlikely.

Too little is known about the destinations of learners once they leave post-16 provision. A more systematic national approach to the collection and analysis of data about learners' destinations would help to ensure that limited public resources were deployed effectively to support learners in making a successful transition to adult life.

Finally, I come to the Government's proposed welfare changes, such as the transfer from the disability living allowance to the personal independence payment and the reforms to housing benefit. I am a member of the Select Committee on Work and Pensions—I am delighted to see some colleagues are present—and I support the direction of travel of many of the changes being proposed by the Department for Work and Pensions, in particular the Work programme. We are discussing young adults and children, but about 2 million children today are growing up in households in which no one works. That is a national scandal which I hope that the Work programme will address rationally and productively—I think that it is doing so.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on obtaining the debate. Many of us in the Chamber have in our constituencies special needs schools and schools dealing with children who have disabilities and learning difficulties, and I agree entirely with what he said about the dearth of activity for young people with special needs post-16 and post-19. He mentioned multi-agency work to help those young people, but does he agree that the CBI, the Federation of Small Businesses and their like should be encouraging their members to employ young people who might have learning difficulties or some form of disability?

Stephen Lloyd: I thank the hon. Gentleman for making that important point, which I will discuss when I talk about the Work programme and the black box principle, which I am excited about. Having been in business for many years before coming into politics, I passionately support more businesses employing and recruiting disabled people, because more often than not they are very good employees, but I am conscious that because many small businesses lack understanding of disability, they often will not let disabled people through the door, irrespective of the Disability Discrimination Act 1995.

Mark Tami: The hon. Gentleman makes a crucial point. Many employees make assumptions that disabled young people are capable of doing only certain jobs. That is wrong, and is a particular problem when dealing with mental health issues. Many employers make assumptions and do not want to employ such people.

Stephen Lloyd: I thank the hon. Gentleman for his intervention. Again, he makes a good point about mental health, which still causes fear in people. As vice-chair of the all-party parliamentary group on mental health and having grown up with a mother who had bipolar disorder, I have experience of and am familiar with mental health issues. I know that they may be a real challenge, but I also know that anxiety, fear and lack of understanding on the part of many people stop many of their fellow citizens contributing very effectively in jobs. Most people with mental health incapacity manage their incapacity.

The challenge of persuading the Federation of Small Businesses, the CBI and so on to take on more disabled people needs a push, and it will be underpinned by the Work programme. Some specialist small charities and training companies understand mental health and learning disability, and part of the opportunity of the black box principle and the Work programme is that there should be enough money for those smaller organisations to engage with local employers to help to break down that barrier. I would like the major trade associations to take more responsibility and to step up to the plate. I would like them to make a commitment. I am a parliamentary champion of the FSB, and I have a meeting with it tomorrow when I shall remind it of that. I appreciate the hon. Gentleman's intervention.

I have specific concerns about the welfare changes involving young adults and children, and the change from disability living allowance to personal independence payment. I shall be grateful if the Minister puts them to rest. The Government have stated clearly that they intend initially to migrate working-age people to the new PIP, which means that until all age groups are migrated on to PIP, there will be two very different benefit systems for disabled people. The Every Disabled Child Matters campaign group, with which I have worked closely, is calling for under-16s not to be brought on to the PIP system before full public consultation and analysis of how the new system works for over-16s has taken place.

Although I welcome the Government's decision to have a different commencement date for children and working-age adults on PIP, I share with the Every Disabled Child Matters campaign group its concern about the impact that the two systems may have on disabled young people who turn 16 in 2013. We are both concerned that the migration to PIP may result in those disabled young people testing out the new system. The Minister has responded to such inquiries in the House, but to my knowledge she has yet to give a firm acknowledgement that young people turning 16 in 2013 will not be the first to go through the new assessment. I shall be grateful if she provides an update.

That brings me to the proposed benefit cap and changes to housing benefit. We all want an end to taxpayers having to foot the bill for some of the absurd and astronomical rents for some families living on housing benefit. I do not have a problem with the broad thrust of that narrative, but we must be careful about unintended, disproportionate and unfair changes to the circumstances of disabled people and their families. The changes to the shared-room rate and the

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implementation of an overall cap on housing benefit cause me concern in relation to young disabled adults. Let me explain why.

The Government propose to increase the age limit for the shared-room rate from 25 to 35, so single people without children aged up to 35 and claiming housing benefit will be restricted to the rate for a single room in a shared house, instead of the rate for a self-contained, one-bedroom property. I shall give an example of why that causes me concern from the disability perspective. The disability of someone with high-functioning Asperger's syndrome—autism—more often than not makes it very difficult for them to share with strangers. A constituent who is a tremendous volunteer, and who helped me during the election by delivering Lord knows how many leaflets, has high-functioning Asperger's syndrome and finds it difficult to go into a room where there are people he does not know—let alone to share a house with people he does not know, which the benefit changes may lead to. He struggles to go into a room where there are people he does not know, and frankly he will not unless I am right next to him. The Government's proposal is a real problem for those with some disabilities, and I ask the Minister to take that on board.

David Simpson: The hon. Gentleman said that there will be two systems for disabled young people or people with disabilities, but my understanding is that by 2013 there will be one universal benefit. Will he please clarify that?

Stephen Lloyd: I am seeking clarification from the Minister on that point, which I thank the hon. Gentleman for raising. On the one hand, we have been told that there will be one universal system from 2013, but on the other, the Minister has said in the House that she understands that there may be a problem, and my understanding is that she will return with clarification. I too am a little confused, but I am cunningly fleshing it out—at least, that is the plan.

I emphasise that the equality impact assessment of a benefit cap shows that approximately 50,000 households, approximately half of which have a disabled member, stand to receive lower benefit payments. The Minister knows that I have general concerns about some of the housing benefit changes, but today I am focusing on the disability perspective, because I believe that if the changes are handled incorrectly, they could be catastrophic for some young disabled adults and their families. Some 52% of families with a disabled child are at risk of experiencing poverty. With more than 40% of disabled people aged 16 to 24 already living in accommodation that does not meet their needs—there is a long history to the problem—we must be careful of any resettlement as a result of a cap on housing benefit and an overall cap on benefits that disproportionately affect young disabled adults.

The SEN and disability Green Paper has been heralded by many who are hopeful of developing a more transparent, less conflict-ridden and more family-friendly system of support that gives parents a greater say in decision-making processes. I am hopeful that the White Paper will set out detailed proposals for radical legislative and policy changes. I mention the Green Paper because I think it contains some good and progressive potential protocols. I urge the Minister to continue to work closely with my hon. Friend the Minister of State, Department for Education (Sarah Teather), who is leading on that Green Paper. Disability never affects one Department, but involves a range of statutory bodies.

The Government have taken some positive steps, which I applaud. I have already mentioned the Work programme and emphasise that I am keen on the funding model, with its inherent black box principle. Over the years, I have worked with many disabled people. I know that too many large companies do not really understand disability and that the best people to work with young disabled people and help them to get into jobs are often specific groups and organisations, such as the Prince's Trust, that not only understand disability but have a passion to make things better. The principle behind the Work programme and its funding is that much of the money and many of the resources should be downstreamed from prime providers to subcontractors which have a greater understanding of disability. I am hopeful that that approach will work.

I remind the Minister of what I said at the start of my speech about the main thrust of my anxieties. The system for the transition from childhood to the cusp of young adulthood is inadequate and has been for many years; support for young people on that cusp is poor, lacks joined-up thinking and provision for teenagers. I am also concerned about possible unintended consequence of changes to the welfare programme disproportionately affecting young disabled people. I am grateful to the Minister for listening to my remarks. I am aware that her Department has to cover a wide range of issues, and I look forward to her response.

Mr Philip Hollobone (in the Chair): Three hon. Members are standing up—a wealth of talent before me. I want to begin the winding-up speeches no later than 10.40 am. Three people wish to speak, so you can work that out and will all get a reasonable amount of time if you are fair to one another.

10.2 am

Sheila Gilmore (Edinburgh East) (Lab): I thank the hon. Member for Eastbourne (Stephen Lloyd) for securing this debate because the issue is important. I do not intend to speak at length, but I want to touch on some issues that have come to me as constituency problems. They concern individuals but show some areas of policy where the situation could be improved. One issue concerned a young disabled lad who had just left his special school. He had stayed in that school until he was nearly 20, but to be honest he would probably be described as a three-year-old in a 20-year-old's body. In many ways he is very happy and friendly, but he has no language. He suffers from Down's syndrome and is severely autistic so his capacity is obviously limited. I am not an expert, but on meeting him and his mother I could quickly tell that the likelihood of someone like him being able to consider any form of employment was no more probable than my three-year-old grandchild entering employment.

The specific issue raised was his mother's great concern about what had happened as soon as her son left his special school. When I first saw her, she was in the midst of filling in a form for employment and support allowance—she had to fill that in because he clearly

could not, and she found it quite difficult. She also made inquiries to the Department about the possibility of a face-to-face assessment she had been told about. When she made contact, she was told that there were no exceptions, that there would have to be a face-to-face assessment, and that she would have to bring in her son. She explained that one aspect of his condition means that he finds it difficult to go into strange places, to the extent that even with all her powers and being used to the situation, she sometimes cannot make him do it.

As it turned out, I am glad to say that, on the basis of the forms and medical report it received, the DWP decided to award employment and support allowance in the support group without a face-to-face assessment. However, the family—the mother in particular—suffered unnecessary stress because of information she had received previously when her son's circumstances were not fully taken into account. It occurred to me that such cases could be dealt with more quickly and effectively, and with less stress, if the DWP undertook outreach work in schools where young people are about to leave that form of education. The Department could have carried out its assessment quickly and easily within the school setting because nobody, other than his mother, knew better of what that young man was capable than the school. A great deal of stress and time would have been saved, especially had other forms of appeal become necessary. That is a matter of process where, with a little thought, a more humane system could be adopted.

That young man currently receives DLA, but when we look at the transition that will be made from DLA to the personal independence payment, we must think about the processes involved and the fact that we do not necessarily need to put everybody through a complex process if it is manifestly unnecessary. However much the Minister may feel that it would be useful for many people to go through such a system, there will be some cases in which, on anybody's analysis, that should not be required. I urge her to give that issue some special thought before we get embroiled in the system and people are given conflicting messages about what is likely to happen. Even at the point of applying for ESA, my constituent was given certain information over the phone by officers in the DWP that increased her stress levels considerably.

Another minor aspect that my constituent raised—I accept this is not new and has been in the system for some time—was the financial position in which the family found themselves. That is obviously an important issue when it comes to purchasing the additional help and assistance that is often necessary outwith the local authority care package. Because my constituent's son has been placed in a support group, once the first 13 weeks are up, a non-dependant charge will be placed on his mother in respect of housing benefit. She is over 60 and retired, but I think that even in earlier years she found it difficult to remain in employment, given her son's condition.

At the moment, her son is on the lower rate of ESA because it is still within the 13-week assessment period, although it has been agreed that he will move into the support group and receive the higher rate of ESA. At the end of that period, he will be regarded as a non-dependant, and his mother's housing benefit and the finances available to the family will in effect be reduced. Since the higher rate of ESA is supposed to meet a family's additional needs, it seems somewhat perverse to take that support away because the mother is over retirement age, even if she is not working. I accept that that situation is not new, but it is perhaps something we should look at if we seek to improve the situation for families.

The mother said something else that I felt was worth pursuing. She has done a little research on this issue and talked to other people. She felt that, when her son suddenly became an adult for the system, the attitudes towards him and her suddenly became more difficult. That was not just about the benefits issues. She gave me another example. He has been given a care package and a place at a day centre and she was trying to get him used to the idea of that. He had been at a very good special school in Edinburgh, but the day centre is obviously a completely different environment. He was to have transport to go there but, given his particular difficulties with strangers, she asked whether he would have an opportunity to meet beforehand the person who would be doing the transportation. She was told, "No, because he is now an adult." When he was a child and his arrangements changed, that opportunity was always given, but now she was just told, "No. Under the adult system, we don't do that sort of thing."

Stephen Lloyd: I thank the hon. Lady for making an incredibly powerful point about disability. The system does not appreciate that, for many disabled people, the nature of their disability means that in terms of age they may be an adult, but in terms of intellectual capacity and their ability to manage things, they are not. The system cannot cope with that. It is a very strong point. Does she agree that more needs to be done and understood in that area?

Sheila Gilmore: I certainly do agree, which is why I was trying to bring out that point. Sometimes there are unintended consequences from the important breakthrough whereby a lot of people with disabilities started to be treated as people with the right to make their own decisions and as an adult, like any other adult. Many people had been campaigning for that for a long time, and for many disabled people it has been a huge breakthrough and beneficial, but there are some people—my constituent and others whom I have come into contact with would fall into this category—for whom it does not work. All it does as far as the family is concerned is make life slightly more difficult. They do not see any purpose in it. Sadly, the young man to whom I have been referring will never grow into adulthood in that sense. Nothing in the field of medicine is likely to change that, so his mother felt that that blinkered view—"This is what we do"—was not helpful. It probably originated from something that was intended to be good, but it has turned out to have a downside.

The mother's suggestion, which I think we should consider, was that there could almost be a separate category when it comes to the way in which people are treated. Her contention was that in some countries that is what happens—there is more understanding of the different nuances of disability and someone like her son is not treated in exactly the same way as other adults. She was keen to say to me that she thought that local government at all levels should be considering that type of option and trying to improve its practice. I know that there will always be difficulties about definitions and

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about the point at which those distinctions are made, but if we could apply that perspective and it improved the experience of disabled people—in this case, young disabled people—and their families, it would be beneficial.

10.13 am

Kate Green (Stretford and Urmston) (Lab): It is a pleasure to participate in the debate under your chairmanship, Mr Hollobone. I am also pleased that the Minister responsible for disabled people will respond to it because, as was said by my hon. Friend the Member for Eastbourne (Stephen Lloyd)—I have called him my hon. Friend because we are colleagues on the Select Committee on Work and Pensions and have discussed these matters in that Committee on many occasions—we are covering a very wide ambit of departmental responsibilities in the debate. It is good that the Minister who can draw all those together for us in government will respond to the debate. We are pleased that she is here this morning.

Like the hon. Member for Eastbourne, I want to focus on some of the transition issues. Of course, for disabled young people, transition is quite a protracted process. It begins when they are in their mid-teens and can stretch right through until they are in their mid-20s as they transfer from children's services to adult services in terms of how the social care package and social support are provided. Like all young people, they may move on from school to a college or higher education setting and, in due course, to employment. During that period, they may also seek to leave the family home and set up on their own. It is important that we consider how we support young people through those transitions economically, as well as through the care packages that they receive.

I am fortunate to have had some extremely helpful briefing from Every Disabled Child Matters, as other hon. Members have, and from the transition support co-ordinator at my local authority. One message that comes through clearly is the need for a planned approach to the transition; it cannot be left to chance. In addition, it is important that that planning begins early and is done with the young person and his or her family. Underlying what I want to get across today is the need to support disabled young people in achieving their aspirations. Too often, our aspirations for those young people, employers' aspirations for them or even the aspirations of colleges, schools and social services for them are too low.

First, however, I will talk about some of the financial issues and I would be grateful if the Minister addressed them. The hon. Member for Eastbourne has already alluded to the implications of the introduction of the personal independence payment in due course. The Minister was good enough to write to me before the summer recess about the arrangements that will be consulted on in relation to children and young people, who are not currently to migrate immediately on to PIP. I think that at that stage she was saying that no firm plans were in place and there would be wide consultation as plans were developed. I certainly welcome that, but she must understand that there is an awful lot of uncertainty and concern as a result of the process still not being firmly available to people so that they can understand what the Government might be contemplating, and for some young people—for example, a young man I met in my constituency who is on the autistic spectrum—uncertainty is a particular worry. We were told that he already, at the age of 17, was beginning to worry about what the transition would mean for him. I therefore hope that the Minister can give us more information about the process today.

If young people aged 16 to 18 are placed on a benefit, as I accept they are now with DLA, that is identical to what adults receive, how will that be designed appropriately to meet their needs? We are particularly concerned about that. We are also concerned—other hon. Members alluded to this—about the assessment process for young people. In his comments to me, the transition support co-ordinator in Trafford highlighted the fact that young people already go through multiple assessments for different packages of support and benefits. My hon. Friend the Member for Edinburgh East (Sheila Gilmore) has highlighted one way in which we might ease the assessment process, by going to the individual rather than setting up a series of assessment hurdles that they have to come to and cross. It is a very imaginative idea, which I hope the Minister will explore.

I am concerned about another issue. The Minister has indicated in the past that it is not necessarily the case that young people as they turn 16 in 2013 will automatically be migrated on to PIP, but I would like to know what further thinking she has developed in relation to the transition period. Does she envisage a phased transfer of young people on to PIP from DLA? If so, what will the time scale be and who might go first?

The Minister will know that real concerns remain about the situation of children and young people if the extended qualifying period for PIP that is proposed for adults is also applied to them. Children's conditions develop and change incredibly quickly in some cases. CLIC Sargent has estimated that, if the extended qualifying period for PIP were applied to children and young people, that could lead to nine out of 10 families, and 60% of all its clients, suffering financially.

Mark Tami: It is an important point that CLIC Sargent raises, because the onset of a cancer is very sudden and, although some children react very well to the treatment, some children do not and there is an up-and-down pattern, so it cannot be said that there is a consistent level of requirement for those children. It is therefore very important that the support is in place straight away and particularly when the parents have received that devastating news.

Kate Green: My hon. Friend is absolutely right. As I say, many children's conditions vary, progress and retreat much more suddenly and rapidly than those of adults. Crucially, children's educational and social development is also taking place as they grow into young adulthood. If there are concerns about the financial support for children with medical conditions, that will also have wider developmental implications for them.

There is continuing uncertainty about children and young people in residential settings. I am particularly interested in young adults, some of whom are quite likely to want to look at residential colleges for their further education. The Minister wants to remove any duplication in funding in relation to the mobility component

that people receive as part of DLA. I would be grateful if she could tell us how she expects to assess whether there is actually any duplication, because I have so far been unable to uncover much evidence of it. What assessment has she made of the implications for young people over the age of 16 in residential colleges, and particularly for their ability to participate as fully as possible in not only educational life but wider social life?

I echo the comments of the hon. Member for Eastbourne on housing benefit. I also want to highlight the concern that constituents have raised with me about the substantial costs of adapting housing and about the implications for them if the housing benefit changes and the housing benefit cap force them to move. It seems quite ridiculous that, as a result of other policies, we should disrupt families who might have had to make substantial investments to adapt their home accommodation. I hope that the Minister will indicate that there will be flexibility in the system to ensure that families of young disabled people, in particular, are not subject to great instability and do not have to move as a result of housing benefit changes. That is particularly important for the young people we are talking about, because such instability disrupts not only their social and educational networks but their medical and care networks in many cases.

Jim Shannon: On that point, which the hon. Lady has clearly illustrated, does she feel that the Government need a concerted policy to address housing benefit for young disabled people, considering that 10% of them will be homeless in a short period?

Kate Green: Clearly, that is an incredibly serious concern, which the Minister will want to take seriously. Like the hon. Gentleman, I very much look forward to hearing her reply to his suggestion.

I want to say something about employment and education. I echo other hon. Members' comments about the need to encourage employers to be more willing to take on disabled people and to recognise the extensive capacity that many of them can bring to the workplace. However, I want to raise a few points with the Minister about the education and training environment in which young people prepare for employment.

Following the loss of the education maintenance allowance, what assessment is being made of the extent to which young disabled people in financial need can access other sources of financial support, including those provided by colleges and schools to enable people to continue and complete their education? With the loss of Connexions next year, how will the new predominantly web-based information and advice service for careers be tailored and adapted to meet the needs of young disabled people? How will the structure of integrated budgets, which are meant for young people's living needs, be protected, so that people are not forced to dip into them to pay for their education, including transport to educational settings, books and equipment? Like other hon. Members, I am interested to hear what further steps the Minister thinks she can take in government to encourage employers to become more willing to employ young disabled people.

I am pleased to have had the opportunity to contribute to the debate. There are many more issues that I would like to raise and which I am sure colleagues would like to raise. I am pleased that the Minister is here to listen to the debate, and I look forward to her response.

10.24 am

Steve McCabe (Birmingham, Selly Oak) (Lab): I am pleased to be able to take part in the debate. I congratulate the hon. Member for Eastbourne (Stephen Lloyd) on securing it. We can never devote enough time to the subject in this place.

Like others, I want to begin by asking about the personal independence payment. I have to say that I like the concept of an independence payment, and it sounds attractive. Like others, however, I am not quite sure what it will mean in reality. I do not want to end up with a crude, Orwellian sleight of hand, whereby the word "independence" results in a set of arrangements that mean the exact opposite. I do not say that that is the intention of the Minister or the Government, but I hope she understands the concerns many Members and organisations representing disabled people have about how the provisions will work in practice. Like others, I hope that she will be able to give us a bit more information and that we will be able to secure a promise that she will provide more information to people across the country, because it is important that she does so.

It is important to recognise that having great support needs does not mean that dependence and exclusion are inevitable, but that depends very much on how we choose to approach people and on whether we give the right kind of support—support that facilitates independence and assists those who are trying to help them. In an intervention earlier we heard about the pressure that is sometimes put on parents. I read a recent study looking at young disabled people who seemed to have made quite a success of their lives, in that they had secured employment and found a place to live independently. They highlighted the fact that their parents had been critical in helping them through those different phases. As in many other areas of life, it is true that good parents—parents who provide the right support—are a great help. However, where we are talking about parents who are coping with children with disabilities—often quite severe disabilities—we should never underestimate the pressure they are under, and that was illustrated in the example given by the hon. Member for Eastbourne. We should never underestimate the pressure on parents, how easy it is for one final incident or episode to be the straw that breaks the camel's back or how insensitive agencies can be at times to the pressures on parents.

I want briefly to mention two groups. The first is young soldiers. I obviously see a lot of young injured service personnel at the Queen Elizabeth hospital in Birmingham. The lives of these young people will be changed beyond all recognition from what they would have anticipated when they joined the services a few years ago. As we think about the support and provision that will be available in future, it is important that we do everything to assist the independence of these people, to whom we already owe an enormous debt, and who have every right to expect to lead a fulfilling and independent life. We can either assist or hinder that process by the way in which we shape the support and services we make available.

The other group is young people with terminal illnesses. In the past, they would tend to die at a relatively young age—perhaps before or in their early teens. Quite often, the support we provided was limited to a bit of hospice provision and a bit of social services or other independent agency provision at critical times in the illness. Nowadays,

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youngsters with terminal illnesses tend to live much longer, into their early 20s or early adulthood. Like every one else making that transition in life, they have all sorts of demands and expectations, and they want to go to college and have jobs. Quite often, they are capable of doing those things, but they need different kinds of support and services. We need to recognise that there will be an increasing demand for that in the years ahead, so the more we can shape and prepare services now, to cater for those young people, the more we will be able to help them, and the more we will get ahead of the game, rather than playing the traditional game of catch-up.

I want to mention two issues, the first of which is mobility. It seems to me that that is the key to any sense of independence. If someone cannot decide for themselves where to go, when to go there, and how to organise their life to achieve things, their independence is severely restricted. I hope that as the Government think about how to reshape support and benefits, they will think about mobility for young people, particularly those in residential establishments. It is not right, when they are trying to make the transition to adulthood, that they should be dependent on someone else deciding what time they will get to go out socially or visit the shops. They need some degree of independence.

To go back to the issue of parents, it is extraordinary how insensitive agencies can be to the needs of parents and disabled youngsters. Birmingham city council, which is trying to save a bit of money because of the budget predicament—and that is perfectly understandable—recently introduced a proposal to restrict school bus access for children going to special needs schools, subjecting them to the same arrangements as other children. I cannot remember the exact distance now, but I think that they must live further than something like a quarter of a mile away. Of course, the reality is that children going to special needs establishments have special needs. Some of them do not like massive changes and disruption; they need a predictable route. Some of them could not possibly travel by themselves on public transport. It would not be feasible for them to get taxis, because that would cost the local authority more than the existing transport provision. The parents found out about the change through a blanket letter from the council to all parents, informing them of the intention; so of course we had people phoning up in floods of tears, saying "What am I going to do next week?"

That is the kind of thing that came up in the exchange between my hon. Friend the Member for Edinburgh East (Sheila Gilmore) and the hon. Member for Eastbourne: far too often the agencies are inflexible with their rules. They are oblivious to the needs of the population they are trying to serve. I think that perhaps, without any more cost, a bit of Government guidance and direction about the way in which the agencies must perform, both in providing services and when there is any intention of changing them, could make a significant difference.

That brings me to the other issue I want to raise, which is schooling. I am dealing with a situation concerning a young woman in my constituency who is on the far end of the autism spectrum. She has a great deal of personal need. At times she self-harms. She is challenging at home and gets very frustrated; she often attacks her parents and the other children. She is a challenge. Her parents have coped with that for 14 years, as well as bringing up two other children. They have done a remarkable job. However, in the past year, the secondary school that she attends in Birmingham, which is not a special needs school, has decided that it cannot cope with her. It has come to the conclusion that it is not the right place for her.

I do not blame the school for that decision, which is possibly a quite professional one, if those concerned have genuinely looked at the situation and thought about it; but of course the parents need to know that now that that has happened the authorities will take a good, honest look at the situation and come up with a proposal that will serve the needs of that young girl. What they have done instead is to withhold the minutes of the initial meeting that took place; they appear to have edited them to exclude some of the things said at the meeting, and have now come up with a set of proposals insisting that she return to the school—which the school rejects. They are essentially making those decisions on cost grounds; there is no doubt about that. As a result, although other children are back at school this week for the start of the new term, the girl is at home with her mother, who is at the end of her tether. Of course, every time her father must take time off work to try to deal with the crisis, he loses money, which plunges the family further into financial difficulty.

That seems to me not only insensitive but a completely unprofessional, unacceptable and irresponsible way to deal with people. I am happy to discuss the personal details of the case with the Minister. If there is anything that she can do to help I would appreciate it; but generally I want to say that local authorities must be given clearer direction on such issues. I do not think that it is entirely a matter of money. I am aware of the budget pressures that face Birmingham and other authorities; if money is a consideration, so is the way in which people behave, and the way in which they treat those they are there to serve. I do not think that the state of affairs I have described is remotely acceptable.

I thank the hon. Member for Eastbourne for obtaining the debate. I hope that the Minister will respond to some of the issues raised, and that we shall have many more debates like this one, so that we can shape some provision in a way that genuinely reflects the needs of the people we hope to assist.

Mr Philip Hollobone (in the Chair): If the Front Bench speakers split their time, they have about 12 minutes each.

10.37 am

Margaret Curran (Glasgow East) (Lab): I am grateful to be here today under your chairmanship, Mr Hollobone, and I shall do my best to be equitable in the distribution of time.

I of course begin by congratulating the hon. Member for Eastbourne (Stephen Lloyd) on obtaining the debate. I call him an hon. Member as he sits on the Government Benches, but like my hon. Friend the Member for Stretford and Urmston (Kate Green) I regard him as a friend. I have got to know him well and he has this morning demonstrated his commitment to disability

issues. His pursuance of those matters is well recognised in this Chamber and I hope to continue to work closely with him.

The debate has been very interesting, and hon. Members have spoken convincingly of the points that need to be addressed. I shall focus particularly on those that lie within my responsibility, but perhaps I will make one or two wider remarks. In an extremely moving speech, my hon. Friend the Member for Birmingham, Selly Oak (Steve McCabe) dealt with the range of issues that must be grappled with, at the heart of which is the pressure on families. We should always be reminded of the daily grind that many families face. We can never have enough time to deal with those issues, and have just touched on them today. I hope we can continue to deal with them.

In my time working with this brief, I have met the Spink family and the Kennedy family. I do not know whether any hon. Members present have come across them, but I am sure that they are known to the Minister. They have spoken in shocking detail of their experience of services—their inflexibility—and the unwillingness, perhaps of us all, to fully appreciate the depth of the challenge that many families face. We say that we have made progress—I will defend the progress made by my party's Government, and the Minister will defend hers—but there has never been enough progress to address the reality for those families.

My hon. Friend spoke very well, particularly about the last family he mentioned, and about veterans, as well as the amount of work we still have to do. Of course, the briefings that we received from the Children's Society put it very well when speaking about the different culture and the different eligibility criteria that the hon. Member for Eastbourne drew to our attention, and the impact that that can have on the lives of young disabled people and their families. We must force ourselves to improve services.

I was tempted to talk about services, local authority funding and suchlike, but I do not want to go down that route because of the lack of time. I shall concentrate instead on welfare reform, which is clearly part of the Minister's remit. The reforms relating to disability are perhaps some of the most controversial elements in the Government's proposals in the Welfare Reform Bill. The Government will say that the Bill is the hallmark of their Administration and a flagship policy. I am grateful to have the opportunity this morning to interrogate the Government in more detail, but we will obviously continue to do so.

The hon. Member for Upper Bann (David Simpson) referred to universal credit; we have not focused enough on that, yet it is vital for disabled people. I also want to consider the personal independence payment, and I shall of course return to my hobby-horse, the disability living allowance mobility allowance, which has also been mentioned.

I start with DLA reform because of its importance to children, of which all who have seen the briefings will be aware. As has been mentioned, 1.8 million working adults will be migrated to the new benefit, and there are implications for those who turn 16 in 2013, but we do not know much about what will happen to the 300,000 children currently in receipt of DLA, other than the fact that their situation will be considered once the proposed reassessment of adults is under way. That is controversial in itself and is causing enormous alarm among charities, families and individuals.

It is vital that we deal with this quickly because clause 87 of the Welfare Reform Bill, which is making its way through Parliament, removes clauses 71 to 76 of the Social Security Contributions and Benefits Act 1992—the legislation that currently provides DLA to disabled children. Alternative arrangements clearly have to be put in place quickly and we need to know the details soon. The Minister will be aware that in Committee we asked what the proposals for children were likely to be, and my hon. Friend the Member for Stretford and Urmston mentioned several times the need to consider the matter. A number of amendments were tabled—they were not successful—on reassessing the impact of the six months delay in receiving benefit and whether the ending of automatic entitlement would affect children. A number of substantial questions need to be dealt with in depth.

Disability premiums in universal credit are vital, and I ask the House to focus on them because charities are deeply concerned about the changes. Those on the middle and lower rates of DLA care who receive only the disability element receive £52, and those on the higher rate, who receive both the disability element and the enhanced element, receive £73. Under the new system of universal credit, the rates for children will be aligned with those for adults, so that there will be two rates of award: £25.95 and £74.50. That change means that people will now be eligible for either the lower or the upper rate of premium, rather than the combined amount. The important point is that those families on the higher rate will be slightly better off, receiving £74.50, an increase of £1.50; but those on the middle and lower rate will receive £25.95, a substantial reduction from £52. I ask the House to focus on that as the Welfare Reform Bill makes its way through Parliament—it is in the other place now. Support for disabled children on the middle and lower rate of DLA will be halved.

Charities estimate that about 100,000 families—including, for example, families with autistic children—will lose up to £1,366 a year, amounting to about £20,000 by the time a child reaches the age of 16. That is a substantial loss of benefit. As the hon. Member for Eastbourne pointed out, 52% of families with a disabled child are at risk of poverty. The benefit is means-tested, so the poorest families will suffer the greatest hit. That is a significant change. I note the hon. Gentleman's gentle challenge to the Government to rethink some parts of the Bill, and I encourage him to take up that cause. Universal credit is seen as a panacea to the challenges of the current benefit system, but I caution Members not to rush to that conclusion, because many disabled children will lose out.

The DLA mobility component is one of the most highly publicised and controversial elements of the Government's policy, and it applies to children as well as to adults. Specific reference has been made to children in residential schools and colleges who depend on mobility support. The briefing from Every Disabled Child Matters states that for all young people aged 16 to 25, the ability to get around independently is vital to allowing them to lead the ordinary lives of young people and for developing the life skills that will lead to independent living later in life. It would be devastating for these disabled young people to find that financial support for mobility was withdrawn just as their adult lives were beginning. The campaign to save the DLA mobility component is

[Margaret Curran]

ongoing. I appreciate that the Government have announced a review, but some confusion remains about how the policy will work and what impact it will have. I ask the Minister to answer one simple question. Do any children in residential settings face the prospect of losing their mobility component? If so, I ask all Members to join me in saying that that should not happen. We should try to prevent that group of vulnerable people from losing such a critical benefit.

10.47 am

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): It is a pleasure to serve under your chairmanship, Mr Hollobone, for what I think is the first time. You have presided over an extremely informed and useful debate. I thank my hon. Friend the Member for Eastbourne (Stephen Lloyd) for securing the debate. He and I have had a number of conversations about disability matters over the past 18 months, and he brings a great deal of expertise to the House.

The debate covered a broad range of issues and I hope to do justice to them in my response, but if I cannot answer them all in the time allowed, I will be happy to deal with them separately should Members wish me do so. First, I shall set out the Government's approach to supporting disabled young people. I shall then answer some of the important questions raised today.

When I talk to disabled young people, as I did only last week and over the weekend in my constituency, I find them to be as ambitious as non-disabled people—no one in the Chamber today will find that surprising—and their hopes for the future are no different. They want a job in which they can excel, a home, a family and friends. They want to live independent lives, and those lives will be different for each of them.

The catch-all title of disabled can sometimes be unhelpful. As Minister with responsibility for disabled people, I have to deal with the wide range of conditions, illnesses and challenges that these people face. We heard today that it is only by joining together the work of social care, health, education and employment effectively that we can ensure adequate support for disabled young people. All of those elements have a part to play. Joining up those services to ensure that disabled young people live independent lives is at the heart of the Government's work, but in doing so we must also ensure that we retain the ambition that every disabled young person and their family have for their lives, including the ability to take on the challenges of the future so that they can reach their true potential as an individual.

The hon. Member for Edinburgh East (Sheila Gilmore) rightly said that families have a critical role to play. Sometimes, though, it is important to separate an individual's passions and desires for the future from the family. Although we need to ensure that families retain their vital role, we must at the same time recognise that it is the disabled young person and their individual needs that we must focus on first and foremost to ensure that they can enjoy an independent life, whatever that means for that individual. The hon. Member for Birmingham, Selly Oak (Steve McCabe) also made the point that by enabling disabled people to live independent lives, we can avoid many of the mental health problems that we all see in our own constituency surgeries. All too often such problems accompany disabilities.

Let me outline a few of the measures that the Government are taking. I pay testament to the work that my hon. Friend the Member for Brent Central (Sarah Teather) is doing in this area as a Minister in the Department for Education. It is under her stewardship that the special educational needs and disability Green Paper has been produced. I am thankful that she has agreed to work closely with me on that key reform affecting some of the transition problems that have been raised today. The single assessment that my hon. Friend sets out in the Green Paper will start to deal with some of the problems that the hon. Member for Stretford and Urmston (Kate Green) so eloquently articulated today. We are looking for local authorities to trailblaze the new approach, so that we can avoid some of the complications and hurdles that currently face disabled people and their families.

My hon. Friend the Member for Eastbourne talked about the importance of effective support for transition. Again, the SEN Green Paper clearly sets out the importance the Government attach to dealing with the variable support that is sometimes provided for parents and disabled children after they turn 16. It is precisely to resolve the problems post-16 that we are considering testing the new approach of having a single assessment across the full zero-to-25 age range, as well as ensuring that it is portable. The Minister of State, Department of Health, my hon. Friend the Member for Sutton and Cheam (Paul Burstow), is also involved in that.

My hon. Friend the Member for Eastbourne talked about key workers and how they support disabled people in transition. We are in full agreement that key workers can play a hugely important role in supporting families and young people to navigate through transition, which is why we commit in the Green Paper to invest in key worker training. We are in the process of appointing a voluntary, non-profit-making organisation to lead. Those are important and exciting developments that we can look forward to in the future.

[Mr Bone *in the Chair*]

Personal budgets are also pertinent. In our constituencies, we all see a great deal of money being invested in supporting individuals, but all too often it can feel that that money is not well co-ordinated. The Department for Health's commitment to personal budgets and to allowing every disabled individual to access them is an important step forward and will help to ensure that all the available money is used to best effect. Last Thursday, I was fortunate enough to meet a wide range of individuals from disability organisations and a group of disabled people in Barnsley. I was told about the important benefits personal budgets gave in disabled people's day-to day lives, including allowing them to lead the sort of independent lives they wanted. Barnsley is part of the right to control trailblazer initiative that was extremely well put together under the previous Administration. We are continuing the initiative because it gives more flexibility to disabled young people to start their lives in a strong and independent way.

The Government are also conducting an important review of employment support for disabled people. It is vital that we understand that the majority of disabled

young people aspire to be in employment. All too often that aspiration does not come to fruition—perhaps through an inability to navigate the system or to get the right support in place at the time. Earlier this year, the Secretary of State for Work and Pensions asked Liz Sayce to produce an independent review of employment support for disabled people. That review, which was published before the summer break, highlighted that disabled people want the same access to jobs as everybody else, and the best way to make that happen is to ensure that employment support is built around the individual. We are consulting on the proposals set out in the Sayce review and we will publish a response in due course. At the heart of Liz's proposals is support for access to work, which, for young people in particular, can give the sort of personalised support that they need not just to get into work, but to stay in work and to give them the opportunity to live independent lives.

The hon. Member for Birmingham, Selly Oak mentioned the importance of supporting disabled former members of the armed services. One of the recommendations from the Sayce review was to set up a cross-departmental group to consider the employment of disabled people, and I have done that straight away because I thought that it was a superb recommendation. One of my colleagues from the Ministry of Defence will be on that ministerial group for the very reason that the hon. Gentleman talked about. I hope that that reassures him that I understand his point. Many young people who have served our country have come out with severe disabilities and they require that support. The ministerial group will also include a Minister from the Department for Transport. As hon. Members recognised, transport is important in ensuring that disabled young people have independence and are able to get into the workplace.

Some of our work is about ensuring that the profile of disabled young people is positive. The Paralympics has an important role to play in that, but we are also investing heavily in user-led organisations to ensure that disabled young people have strong voices in the future. We also have a strong policy of ensuring that more disabled people have access to elected office, which is an important way to get one's voice heard.

I will answer as many of the specific points made in the debate as I can now, but I will write to Members if I am not able to answer their questions in detail. "Aiming Higher" is a three-year programme set up by the previous Administration. It includes short breaks and transition support, both of which the present Government are continuing to fund. The fruitful work under "Aiming Higher" is therefore continuing.

To reassure Members who raised the implications of the personal independence payment, let me say that I recognise that the transition from DLA to PIP at 16 is an important and sensitive matter. I have already begun meeting organisations and representatives to ensure that they have clear input into our work. I recently met a number of organisations, including CLIC Sargent, to help to inform our thinking on the qualifying period. I am sure that the debate on the matter will continue in the Lords. I will be looking at the needs of individuals in residential colleges in the same way as the needs of other recipients of DLA. I understand the arguments that hon. Members have made today on that point. We have done some detailed work on the order of migration from DLA to PIP. We will make sure that it is a fair process and it will be considered as part of the equality impact assessment.

I apologise for not being able to cover all of points hon. Members raised today. Suffice it to say, the work that the Government are doing puts support for disabled young people very high on our priority list.

Judicial Scorecards

11 am

Mr Philip Hollobone (Kettering) (Con): It is a pleasure to serve under your chairmanship, Mr Bone; I thank Mr Speaker for granting me permission to hold this debate this morning; and I welcome the Under-Secretary of State for Justice, the hon. Member for Reigate (Mr Blunt), to his seat, from which he will listen to and respond to this debate on an issue that I want to raise not only on my own behalf but most importantly on behalf of my constituents.

That issue is what I have called judicial scorecards. The idea is that each judge and magistrate should be presented with an annual report of those people who have appeared before them and who have been sentenced by them, including details of any reoffending that has taken place since sentencing. Every year, each judge and magistrate would be given a simple and straightforward report that would detail the names of the defendants who have appeared before them, the crimes of which those defendants were accused and the sentence that was imposed, compared with the sentence that could have been imposed under the maximum terms set out in the relevant legislation. The report would also include details of any subsequent reoffending, not only for the crime for which the defendants appeared before the judge or magistrate but for other crimes that the defendants may have committed.

There is a fundamental gap in our criminal justice system. Judges and magistrates do their best, but as far as I can tell they never actually know what happens to those defendants whom they sentence. Judges and magistrates arrive at their sentencing decision, having taken into account the guidelines produced by the Sentencing Council; using their best opinion, they arrive at a decision as to what is the most appropriate sentence and that sentence is then imposed; but they never know subsequently whether or not that sentence was effective.

The same is true for police officers. I declare an interest as a special constable with the British Transport police. I often talk to police officers about the arrests they have made and I ask, "Oh, what happened to Joe Smith, whom you arrested for fare evasion?", or, "What happened to Joe Bloggs, whom you arrested for burglary?" The officer will reply, "Oh, I don't know." I ask, "Do you have any idea what sentence he was awarded?" They reply, "No, I don't know. My job was done. I arrested the offender and he was presented before the courts, or otherwise." It is a great shame that police officers do not know that information; they are not informed about what happens to the people they arrest. The same is true for the judiciary, regarding the people they sentence.

Our criminal justice system would be improved if judges and magistrates knew more about what happened to the people they sentence. At one level, that is a very human thing. We are dealing with individuals who have broken the law and the judges and magistrates are doing their best to impose the correct sentence, but unless they are updated on whether or not that sentence was effective there will continue to be a big gap in our criminal justice system.

Mr Bone, you will know that 10% of criminals commit 50% of the crime in this country. You, I, the Minister and everyone in this House, as well as all of our constituents, are really concerned about the high reoffending rates in this country. When I asked the Minister about reoffending on 11 January, he provided some very helpful statistics to the House. I asked him:

"What the reoffending rates were for those sentenced to jail terms of (a) one year, (b) five years and (c) 10 years in the latest period for which figures are available".

He helpfully replied:

"In 2008, the rate of reconviction within one year for adults discharged from custody after a sentence of less than a year was 61.1%; it was 31.0% for those given sentences of one to five years; 17.5% for offenders given sentences of five to 10 years, and 6.4% for 10 years or more."

I then asked:

"Does the Minister agree that...the longer prisoners spend in prison the greater the chance of ensuring their effective rehabilitation before being released?"

He replied:

"We have to ensure that longer sentences are given to recidivist offenders and that we effectively rehabilitate people and break the cycle of crime through the proposals that we have presented in the Green Paper to drive that number down."—[*Official Report*, 11 January 2011; Vol. 521, c. 147.]

I absolutely agree with that—we have to get those reoffending rates down. The Minister and I are in complete agreement that when 10% of criminals are committing 50% of the crime, those recidivist offenders must receive longer sentences, and yet, as we all know, the problem, again and again, is that those recidivist offenders are not being given the stiff sentences early enough in their criminal careers to deter them from a life of crime. Part of the reason why I am so enthusiastic about the idea of judicial scorecards is that they would help to alert judges and magistrates at an early stage in a criminal's career that the criminal was not being given a sentence that was stiff enough.

I raised the proposal for judicial scorecards on the Floor of the House with the Minister's boss, the Lord Chancellor and Secretary of State for Justice, on 28 June. I asked him:

"If he will take steps to ensure that judges and magistrates are informed of incidents of reoffending of each offender they have sentenced".

He replied:

"We have begun work to improve access to local criminal justice statistics. For example, criminal justice and sentencing statistics are now broken down to court level and are available online. In terms of individuals, pre-sentence reports provide the court with details of a defendant's offending history and compliance with any previous sentences."

I then said:

"Although it is important to have judicial independence, surely it is not beyond the wit of the Department that each judge and each magistrate should be given an annual report card on the effectiveness of their sentencing decisions. If they have given out a string of sentences and the convicts have reoffended regularly, that judge or magistrate will know that something is wrong with their approach."

He replied:

"As I said, we have begun work, and that is certainly an interesting suggestion. A massive amount of data would be involved in providing every judge and magistrate with full information about everybody they had ever sentenced". —[*Official Report*, 28 June 2011; Vol. 530, c. 738.]

I was pleased that the Lord Chancellor and Secretary of State for Justice saw this idea of judicial scorecards as an "interesting" approach, but it sounds to me from

his responses in June that the Ministry of Justice is already making some progress towards them. If statistics are being

"broken down to court level and are available online",

we are going in the right direction, and I do not believe that it would necessarily involve a massive amount of data to tie up an offender's criminal history with the judge or magistrate before whom they appeared. It would help to make the criminal justice system far more effective. At the end of the day, what my constituents want is judges and magistrates to award sentences that are effective in preventing reoffending. Introducing more transparency into the system to reveal whether judges and magistrates are awarding such sentences would assist the judges and magistrate themselves, and help to improve the effectiveness of our criminal justice system.

In the exchange on the Floor of the House that I mentioned earlier, another Member asked:

"There is considerable evidence that judges do not know enough about what happens once they sentence prisoners and those sentences have been disposed of. Will the Justice Secretary do what he can to increase the experience obtained by judges of those disposals and will he ask the Sentencing Council to advise, with a particular focus on what works in preventing offending and reoffending?"

The Justice Secretary replied:

"The Sentencing Council is already under a duty to provide information about the effectiveness of sentencing practice".—[*Official Report*, 28 June 2011; Vol. 530, c. 738.]

It seems to me, however, that that duty to provide information about the effectiveness of sentencing practice is not specific enough to the individual judges and magistrates making the decisions. We do not have that far to go from the collection of statistics at a court level to doing it on an individual level for each judge and magistrate.

That is not to criticise judges and magistrates; it is to help them. We know that every time we stand up and speak in this place, and every time we vote, information is recorded for every member of the public to access online, to see whether we are turning up and representing constituents' concerns. Every time a premier league footballer kicks a ball, the data are recorded and a scorecard is produced of his effectiveness throughout the season. I believe that the information is there in the court process, and it could be distilled in a simplified way in an annual report card, helping to inform judges and magistrates about whether they are making the right decisions.

Evidence about this sort of thing was presented to the Select Committee on Justice in 2009-10, and included in its January 2010 report entitled "Cutting crime: the case for justice reinvestment". Michael Marcus, a circuit court judge from Portland, Oregon, presented evidence to the Committee about how this sort of approach can help the judicial system to be more effective because of the awarding of correct sentences. With yesterday's welcome announcement from the Ministry of Justice about the introduction of television into courts, it seems that the Department is receptive to making our criminal justice system more transparent.

The Justice Minister will know, as will you, Mr Bone, that many of our constituents do not have the confidence they ought to have in our criminal justice system, because some of the sentencing decisions are not consistent. We have the recent example of the riots in London and other metropolitan areas in August, when the clerks to the magistrates seemed to be saying, "You don't have to adhere to the guidelines that have been issued by the Sentencing Council; make the riots a special case." My constituents would say, "The stiff sentences awarded to rioters should be the same as the stiff sentences awarded to everyone, not just in August 2011 but all the time." There should be consistency in sentencing, and the judicial scorecard approach would help.

It comes down to the number of people we sentence to prison terms, and I think that my constituents' view is that not enough criminals go to jail. There seems to be a myth in this country that we have too many people in prison, but I contest that that is absolutely not the case. If we look at the percentage of prisoners per 100,000 people, we are pretty near the global average, but if we look at the number of prisoners in relation to the number of crimes committed we do not have the highest prison population in the western world; we have the lowest. On that measure, compared with the United States, Canada, Australia and the EU as a whole, the UK has the lowest prison population of all. For every 1,000 crimes committed in the UK, we have about 13 prisoners, compared with about 15 in Canada and Australia, considerably more than 20 for the EU as a whole, and a whopping 166 in the United States. The country with the lowest prison rate—the UK—has the highest crime rate. Is that a coincidence? I do not think so.

We have more than 10,000 crimes for every 100,000 people. The country with the highest prison rate —the United States—has the lowest crime rate, with about 4,500 crimes for every 100,000 people. Canada, which is the country with the second lowest prison rate, has the second highest crime rate. The EU as a whole has the second highest prison rate and the second lowest crime rate. In my view, those are not coincidences.

The purpose of today's debate is to be helpful to Her Majesty's Government. I have come here with a constructive suggestion to make our judicial system more transparent. I thank judges and magistrates for the work that they do on behalf of us all, but they need assistance in the form of information about how effective their well-meaning sentencing decisions are. My constituents would like to see stiffer justice; they would like to see recidivist offenders put behind bars for longer, not only as a punishment but to aid their rehabilitation. I know that the Justice Minister is very sympathetic to that view because he has said so to the House. A judicial scorecard system need not be complex; it could be very simple and straightforward. Presenting each judge and each magistrate with an annual report about the effectiveness of their sentencing decisions would be a good thing for the criminal justice system in this country.

11.17 am

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): It is a pleasure to serve under your chairmanship, Mr Bone, and particularly to reply to your near neighbour, my hon. Friend the Member for Kettering (Mr Hollobone), whom I congratulate on securing the debate and bringing up the matter of judicial scorecards.

I have, of course, noted the question that my hon. Friend put to the Justice Secretary during oral questions about whether steps would be taken to ensure that

[Mr Crispin Blunt]

judges and magistrates were informed of incidents of reoffending of every offender they had sentenced. As my hon. Friend has made clear, he is aiming for feedback and public transparency for individual sentencers on the effectiveness of their sentencing practices, so that they are able to identify where something is wrong with their individual approach. I have listened to my hon. Friend very carefully, with my usual level of interest, and I concur with the Justice Secretary that his suggestion is interesting.

My hon. Friend knows from previous debates we have had on foreign national prisoners that I very much welcome his interest, and his providing a spur to the system to ensure that we are kept up to the mark in areas of public interest. However, I am going to have to be reasonably plain with him here: yes, the topic is interesting, but I am unsympathetic with the particular matter of individual judicial accountability by way of scorecards for judges.

Let me explain why. We need to acknowledge that this topic raises issues of significant constitutional importance, and I want to touch on those before I address some of the other matters that my hon. Friend mentioned. We might not have quite enough time for a full debate on the whole of penal policy, the issue that he raised at the end of his remarks, but if I end up having enough time, I will cheerfully move into that area.

The rule of law is, of course, the foundation of our democracy. For that tenet to be real, it is imperative that the independence of the judiciary is maintained. As my hon. Friend will recognise, that is particularly relevant in respect of sentencing decisions. Parliament has established the offence and sentencing framework that the judiciary apply in individual cases, and the courts have a duty to follow sentencing guidelines, which are issued by the independent Sentencing Council to promote greater consistency in sentencing while maintaining judicial independence. If courts depart from those guidelines in the interest of justice, they must explain in open court why they are doing so.

Although the sentencing decisions of the judiciary are rightly independent, they do not operate in an accountability vacuum. Checks and balances within the current system, such as the right of appeal, operate within the public domain. If certain sentences are seen as too lenient, the Attorney-General can appeal them. Equally, if it is felt that the final sentence is too harsh relative to the circumstances of the case, the defendant has the right to appeal. Like the hearings at which offenders are sentenced, such appeals are heard in public. The Sentencing Council has a duty to monitor the operation of its sentencing guidelines. Part of that involves considering the frequency and extent to which those handing down sentences depart from the guidelines, the factors that influence sentences imposed by courts and the effect of guidelines on consistency in sentencing and on public confidence in the criminal justice system.

More generally, the judiciary support efforts towards greater transparency that allow the public improved access to sentencing outcomes for individual crimes in their local area while bearing in mind any reporting restrictions. However, it would not be right to draw inferences about the performance of an individual judge—or, for that matter, anyone involved in bringing a case to court—based simply on whether the defendant goes on to commit further crimes. There is a risk that, if we introduced scorecards linking sentencing to reoffending outcomes, individual sentencing decisions would be criticised because the offender went on to reoffend. The sentence handed down is only one of many factors that affect reoffending.

Towards the end of his remarks, my hon. Friend used the phrase "simple and straightforward". I must tell him that dealing with the rehabilitation of offenders—trying to act on all the levers that affect an individual, determining how easy it will be to rehabilitate him and considering all the desistance factors from crime—is far from simple and straightforward, and it does not simply involve the sentencing decision. The judiciary work in an environment where no two cases are alike and each sentence reflects individual circumstances unique to the offence, the defendant and the impact on the victim. Examining sentences in isolation from the particular circumstances of the case and the defendant's mitigating or aggravating factors is almost certain to confuse those who were not present in the courtroom about why the final sentence was imposed. Many factors affect the effectiveness of a specific sentence in preventing reoffending. Some are unique to the individual; some are socio-economic. Given the unique nature of each case, it would be impossible for the effectiveness of sentences on reoffending to be deduced in a meaningful way. Any suggestion that such information could be provided would be misleading to the public.

My hon. Friend knows that tackling reoffending is a major priority for this Government. We are considering innovative ways to decrease reoffending rates. The Green Paper "Breaking the Cycle" set out a different approach to rehabilitation based on paying only for what works to deliver reduced levels of crime. Although I am sure that judges would welcome being informed of what happens to each defendant sentenced, if such a practice became regulated in the form that my hon. Friend suggests, it would be prohibitively expensive to administer and might well take resource away from the front line, particularly the probation service.

That said, judges and magistrates take a close interest in the outcome of the sentences that they pass and whether defendants go on to commit further offences. I suspect that, like me and no doubt you, Mr Bone, my hon. Friend welcomed the statements made by the recorder of Manchester during the recent trial of Regina *v.* Carter, when he was sentencing one of the earliest people to be brought to justice for the riots. In the robust terms of his sentence, the recorder made it clear in what peril people placed themselves by their outrageous behaviour in those circumstances. If my hon. Friend has had the chance to read it, he will have noted that, at the end of the judgment against one defendant in the trial, who was sentenced to oversight in the community, the recorder of Manchester reserved to himself the right to deal with breaches of that community supervision. He took the opportunity judicially to take a keen interest in how that defendant, who will be supervised by the probation service, got on.

That can happen in our system. It happens in the west London drugs court, for example, where repeat offenders who entered the system because of their addiction are brought back month by month to the same judge, as

part of their sentence oversight, to see how they are getting on. It is possible within our system for judges to continue to exercise supervision of and interest in the people who come before them. Probation officers, also, often provide the courts with general information about outcomes, especially in relation to community orders, so that any judge or bench can make informed decisions about the suitability of a particular sentence for the offender before them.

In May this year, my Department published details of the relative effectiveness of different sentences in reducing reoffending. One can interpret such data in different ways, but those data showed that, after controlling for differences between offenders, those receiving community orders and suspended sentence orders have a significantly lower reoffending rate—8% and 9% lower respectively—than similar offenders who receive a short custodial sentence. My hon. Friend may say, "Indeed; then they should get a longer prison sentence rather than a short prison sentence or a community sentence", but we must have some regard to the circumstances of the offence. He seems to be driving at the idea that first-time offenders should receive an exemplary sentence in order to get them into prison so that they can be rehabilitated. I am not sure that I am in precisely the same place as him on that matter. Overall, most people entering the justice system for the first time and receiving community sentences will have a significantly lower reoffending rate than other repeat offenders. We must find proper strategies, including prison at one level but also proper supervision between prisons, the probation service and the police, as is delivered through integrated offender management, in order to find a more effective route to desistance for such people. We are experimenting with a bunch of different pilots to see where to place the responsibility in order to deliver rehabilitation.

I think that my hon. Friend will welcome the fact that the Government also have a significant transparency agenda, which will go some way towards meeting the concerns that underlie his case. We are committed to increasing transparency in public services in order better to hold public services to account, increase trust in services through greater openness and encourage engagement between citizens and local services. The criminal justice system is no exception. Criminal cases are almost always held in public, and a great deal of information on court proceedings is already placed in the public domain.

However, we recognise that not everyone goes to their local court on a daily basis, so we are planning a significant release of individual court performance data in January that will enable local communities to find out how their local court is performing on a range of measures. The data will include, among other things, information on case timeliness in criminal and civil courts and the proportion of cracked and ineffective trials at the Crown court. That represents a significant step towards keeping the public informed of how the courts are operating in their area. When looking at the data, it will be important to bear in mind that courts' performance is not a matter for the judiciary or court staff alone, but depends on all the elements of the criminal justice system.

Yesterday, the Justice Secretary announced his intention to legislate to remove the ban on cameras in courts. I am grateful for my hon. Friend's welcome of that announcement. It is a cautious but important step that, taken with the data commitments, will open up the courts more widely. In addition to the data that we plan to publish on court performance, we have taken several other notable steps to provide the public with information on how the criminal justice system works locally. In October last year, we released court-level sentencing data for each court for 2009, and in May this year, we released data covering 2005 to 2010. In January this year, street-level crime information was made available to the public via the Police.uk website. It has been very popular, with 430 million hits on the site since the launch. In November, we will publish individual offender-level sentencing data by court, so that the public will be able—

Mr Peter Bone (in the Chair): Order. I am sorry to interrupt the Minister. It has been a splendid debate.

11.30 am

Sitting suspended.

Coeliac Disease

[Dr William McCrea *in the Chair*]

2.30 pm

Gordon Banks (Ochil and South Perthshire) (Lab): It is a pleasure to serve under your chairmanship, Dr McCrea, on an issue that is close to my heart or, perhaps I should say, to my small intestine, because I suffer from coeliac disease. I am also a member of Coeliac UK.

Coeliac disease causes damage, through gluten, to the surface of the small intestine and results in a reduced ability to digest and absorb food. This causes malabsorption of essential nutrients such as iron, folic acid and calcium. In infants and children this can result in health problems such as faltering growth, unexplained anaemia, chronic diarrhoea and abdominal distension. In childhood, the presenting features are often relatively subtle and it is much easier to diagnose if coeliac disease is on the radar with a GP at an early stage. For adults, coeliac disease often presents with symptoms of tiredness, reduced appetite, weight loss, mouth ulcers, abdominal bloating, diarrhoea and anaemia.

Many people with coeliac disease present with apparently mild or non-specific complaints, but from their perspective these complaints are anything but trivial. The type and degree of symptoms with which an individual presents are not always directly related to the gut damage that has been done. It can therefore be difficult to secure a diagnosis, and patients may present to primary care on a number of occasions with a large range of symptoms before any diagnosis is made.

Health risks linked to untreated coeliac disease include poor growth in childhood, osteopenia, osteoporosis, infertility, and an increased risk of non-Hodgkin's lymphoma, Hodgkin's lymphoma and intestinal malignancy. Other auto-immune conditions are also associated with coeliac disease. The prevalence of auto-immune thyroid disease in people with coeliac disease is up to 7%, and the prevalence of type 1 diabetes is between 2% and 10%. With all these complications, it is hard to understand why coeliac disease is not routinely checked for.

People can endure long periods of suffering before they are diagnosed, and the most recent research shows the time from the onset of symptoms to diagnosis as a lengthy 13 years, during which people are at risk of contracting a wealth of other conditions. One in 100 people in the UK have coeliac disease, but only 10% to 15% of them are clinically diagnosed. An estimated half a million people in the UK are living with the condition but do not know it. That is too many people whose quality of life is being diminished by years of ill health. Many people are living with a misdiagnosis of irritable bowel syndrome or other gut conditions, and receiving treatment for those conditions that is not effective. That costs the NHS money, which we are told it does not have, and which is wasted because of the lack of a quick and accurate diagnosis of the gut condition.

Dame Anne Begg (Aberdeen South) (Lab): Does my hon. Friend agree that it is possible to diagnose or find out whether someone has a gluten intolerance through a relatively simple blood test? Kits can be bought at a pharmacy, so there should be no excuse for failing to pick up coeliac disease earlier in many patients.

Gordon Banks: My hon. Friend is perfectly correct. The diagnosis for coeliac disease, or certainly the first part of the diagnosis, is extremely simple—it requires a simple blood test. In fact, as a coeliac sufferer, I never received a gut biopsy test, because my blood test was so overwhelmingly positive. It is relatively easy and the implementation of, or access to, these new tests, which are available in chemists, is a step in the right direction.

Simple though that may be, too many GPs do not recognise coeliac disease, never mind test for it, which is something that we urgently need to address. As I have indicated, it is first tested for via a simple blood test, followed by a gut biopsy. The blood test in itself is inexpensive. My hon. Friend has mentioned a test that the public can buy for only £20 in pharmacies. Within the health service, there is obviously an economy of scale.

I would like to describe some of the disease's impacts in more detail, because it would be better for the Minister to hear it from the horse's mouth rather than read about it on pieces of paper. When gluten is present in our diet, it destroys the villi in the small intestine. They are eroded so that the small intestine becomes basically like a garden hose. In good Scottish parlance, Dr McCrea, your food just scoots through it. As I have said, that prevents the absorption of nutrients, and the knock-on effects that that can have on young children and the elderly mean that this in itself—the pure lack of nutrients—can be life-threatening.

Gluten is a protein found in wheat, barley and rye. Although some might think that it is easy to avoid consuming such products, I would challenge them to try to do so for the rest of their lives. A gluten-free diet may sound like the latest Hollywood fad, designed to make a sylph-like body, but if that was the case I would want my money back, because it has not done that for me. The point that I am trying to make is that, while continuing to take gluten when diagnosed with coeliac disease has serious consequences for one's health, diagnosis also comes with serious lifestyle trade-offs.

Imagine a busy day at work where all one wants to do is grab a quick sandwich from the cafeteria. I am sure that the Minister has eaten a sandwich at his desk many times. It cannot be done. Imagine the end of a long day at work when one would rather grab a take-away than cook dinner at home. That cannot be done either. Imagine an invitation from friends to go for a meal at an Italian restaurant. Although the pizza and pasta look nice, they just cannot be eaten. One may want to go to the pub and have a bottle of beer with friends, but that cannot be done either. One becomes an expert at reading the label on every piece of food that is bought, from crisps, sweets to soups—literally everything. Even Marks and Spencer's diet coke has gluten in it.

I do not want to say much more about food lines at this point, but I want the Minister to think about the price of a loaf of bread. Tesco's website states that an 800-gram loaf of white sliced bread can be bought for 47p, which is 6p per 100 grams. What does a loaf of gluten-free bread cost? It costs £2 for 400 grams, which is 50p per 100 grams—833% more. I will leave the Minister with that thought and return to it later.

Dame Anne Begg: I am glad that my hon. Friend has picked up the issue of gluten-free food, because I am also on a gluten-free diet, which is why—surprise,

surprise—I am present at this debate. It is very expensive for people on gluten-free diets, but will my hon. Friend acknowledge that access to gluten-free products has improved immensely? Almost every supermarket now has some gluten-free shelves. I have seen a remarkable difference in the availability of gluten-free food during the four years in which I have been on a gluten-free diet. However, part of the problem is that the ready-meal versions of foods to which one would not add gluten if they were being cooked at home often include gluten, which makes it difficult for those who lead busy lives and do not have time to cook.

Gordon Banks: My hon. Friend is right. The range has improved, as indeed has the quality of food. In some ways, perhaps I was fortunate to be diagnosed in the past 10, 12 or 13 years. I am glad that I was not diagnosed 25 years ago, because I did not have to eat the rubbish that one had to eat 20 or 25 years ago to try to survive on a gluten-free diet. There is more choice. That is another issue about which we have concerns following the introduction of new regulations. We are worried about how supermarkets will react, because everything that they do is driven by the desire and the need to make profit at the end of the day.

I want to talk about my own experiences without being too graphic. In the early 1990s, feeling unwell I went to my GP, who eventually referred me to a specialist. After having cameras inserted everywhere, I was diagnosed with duodenal ulcers and put on medication. Unsurprisingly, that did not help much. I was then diagnosed with the catch-all complaint of irritable bowel syndrome. I endured a number of years where my routine comprised of largely being locked in the toilet until about 11 o'clock in the morning, and I had a rash on my face that looked like I had exfoliated with 80-grit sandpaper. I returned to my GP after a number of years and he referred me to another specialist who, simply on reading my notes, said, "I think I know what's wrong with you. I think you have coeliac disease," and he was right. If my memory serves me right, his name was Dr Wright and he turned out to be a bit of a wizard in the diagnosis of coeliac disease in the Forth valley and Scotland. I and others will be eternally grateful to him for that.

Hon. Members might be wondering why there has been a personal lesson from me and whether it is designed to foster sympathy. No, it is not. It is designed to highlight the fact that, as I have said, the average time for diagnosis in the UK is 13 years. That is sometimes 13 years of not being able to work; 13 years of worry about dying; 13 years of someone worrying that their wife thinks they are dying; and 13 years when the only people who are happy are the manufacturers of toilet roll. Part of the purpose of today's debate is simply to stress that that is not good enough. Much more needs to be done to recognise coeliac disease and the array of symptoms in people presenting to a GP. They should not be told what my GP said to me when I returned to him after being diagnosed: "Oh coeliac disease. I never think of that. That's two I have missed this month." That is not good enough.

Why is it important to improve diagnosis times? It saves being given expensive drugs for other complaints that are totally unnecessary and, as I said, it saves a sufferer from not being able to lead anything like a normal life in all areas of work, rest and play. Early diagnosis reduces the risk of intestinal cancer, bowel cancer and osteoporosis among other things. In effect, early diagnosis saves not only lives, but money.

There is no cure for coeliac disease, which leaves the NHS with the task of managing sufferers' condition. For me, diagnosis happened in my early 40s. However, that is not good enough and there remains a lack of guidance in the area. In 2009, the National Institute for Health and Clinical Excellence published guideline 86 on the recognition and assessment of coeliac disease. That short clinical guideline offers best-practice advice on the recognition and assessment of coeliac disease and the care of those undergoing diagnosis. Although that guideline was a great result for people with coeliac disease, it is not mandatory to follow it and more needs to be done.

Coeliac UK—the national charity for people with coeliac disease—has worked with NICE on that guideline, forming part of the guideline development group. It is anxious to take the matter further for very good reasons. Gastrointestinal disorders account for about 10% of NHS clinical work, and there is evidence that they are not always well managed in general practice. Few quality criteria are available to guide the management of such disorders. The treatment of coeliac disease requires support, with a gluten-free diet, the monitoring and management of symptoms and the screening and management of complications and other associated conditions for the rest of the patient's life. There has been huge oversight on the part of the Department of Health, as GPs are struggling to meet targets for diagnosing conditions on the quality and outcomes framework and, with no points for gastroenterological conditions, there is an enormous gap.

The QOF is a key way to ensure that GPs are incentivised and is a means by which we could start to see an improved and accelerated rate of diagnosis and find the 500,000 people who are living with the condition but who do not know it. Sadly, a number of applications to QOF have been unsuccessful, which is not good news for people with coeliac disease.

Mr Kevan Jones (North Durham) (Lab): There is also some evidence that the condition is hereditary, so testing family members of a diagnosed coeliac is an obvious way to identify such individuals. If doctors diagnose somebody as coeliac, would my hon. Friend suggest that other family members should also be tested?

Gordon Banks: I do and I will. I shall come on to that later. My hon. Friend is perfectly right.

Moving back to the QOF, approaches for groupings of gastroenterological conditions are being made. Those are important because coeliac disease is four times more prevalent among patients with clinical presentation of IBS, as in my case, than among the non-IBS population. There is also a NICE guideline that recommends the screening of patients with type 1 diabetes, but we do not know whether that screening is taking place. Without more stringent ways to incentivise and measure, we will not know.

As my hon. Friend says, screening family members when coeliac disease is present in the family is also a key concern. He might be interested to know that prevalence rates increase from one in 100 to one in 10 when a first

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degree relative has the condition. GPs should be screening, but we know that that is not happening routinely. I know full well is has not happened in my family, but it should. Coeliac disease is also more prevalent in people with other auto-immune conditions such as type 1 diabetes, as I have mentioned, and auto-immune thyroid disease. Hence, antibody testing for family members where coeliac disease has been diagnosed and for patients with autoimmune conditions is recommended by the NICE coeliac recognition and assessment guideline.

The Minister will be glad to hear that improving diagnosis is only one part of the answer; we also need improvement in the management of the condition after diagnosis. There are established clinical guidelines from, among others, the British Society of Gastroenterology, the British Society of Paediatric Gastroenterology, Hepatology and Nutrition and the Primary Care Society for Gastroenterology, which recommend an annual review for patients with coeliac disease and, indeed, dermatitis herpetiformis. Although that has traditionally been undertaken in specialist clinics in secondary care—or, indeed, not undertaken at all—it is an activity increasingly seen as suitable for primary care. We know of locally enhanced services where practices provide a structured annual review, but there are not enough of them. We would like annual reviews to be put more firmly into place to ensure that patients are complying with the gluten-free diets and safeguarding against potential associated conditions.

The improving management in gastroenterology—IMAGE—project provides a model for the development of quality markers for chronic disease management including coeliac disease. The project has developed patient-centred quality criteria based on current guidelines and has already been a source of a range of published papers, but health inequality is also a key concern in this area. Research has shown that coeliac disease is twice as likely to be diagnosed for the least deprived quintile of socio-economic groups than for the most deprived; it is usually the other way around. There is more work to be done to understand those results, but the working hypothesis is that the disease is under-recognised in the most deprived socio-economic groupings as a result of the wide-ranging nature of symptoms and, indeed, access to health care.

Where do we go from here? The NICE guidelines on recognition and assessment of coeliac disease showed that the "no diagnosis" strategy is the least effective strategy because of the low quality of life of patients and the costs resulting from undiagnosed coeliac disease. In applying accepted NICE thresholds, any testing strategy was shown to be more cost-effective than no testing strategy, despite the costs of the tests. Work also indicates that serological testing for coeliac disease in patients with symptoms such as irritable bowel syndrome, as I mentioned earlier, is, indeed, cost-effective.

The new NHS reforms may provide some opportunities for people with coeliac disease and provide different ways for them to be catered for within the new framework. Perhaps the Minister can say whether coeliac will be considered for one of the 150 quality standards soon to be rolled out, so that we can see diagnosis rates start to improve.

As I have said, once diagnosed, the only way forward is to manage the condition through a gluten-free diet. Many people do that through relying on prescriptions as the foundation of their condition management. On prescriptions, as the NHS looks to drive costs down during the past 12 months, a number of PCTs have placed strict limits on what can be prescribed for patients with coeliac disease. Those cuts, which include a blanket removal of almost 200 products prescribed to patients in Surrey, East Sussex and Kent, appear to be a knee-jerk reaction to costs linked to gluten-free foods on prescription. At the same time, they potentially threaten the long-term health of people with coeliac disease.

Hon. Members may have seen that, in July, a story broke in the national press that gluten-free bread on prescription was costing the NHS in Wales £35 a loaf. The story came from misinterpreted data following a question posed in the Welsh Assembly. Similar anecdotal figures had been used earlier in the year by medicine management teams linked to the south-east strategic health authority. Although the figures given in the national media were incorrect, sadly the story missed the real point about some high administrative charges added to a very small number of products, which appear to be unjustified.

Dame Anne Begg: People with coeliac disease rely on a gluten-free diet, and the fact they can only get gluten free through a prescription suggests that management of the condition is seen very much as a medical model rather than a disability model, which is what normally happens when someone has a chronic condition and they have learned to live with it. Instead of providing gluten-free food through a prescription, might not the Government consider making it one of the criteria that would allow people to get the lower care rate of disability living allowance? That would give people the money in their hand and give them the choice to buy off the shelf, particularly now that most supermarkets have a range of gluten-free goods available. It is more expensive, so it would be an extra cost of their disability, but that might be a cheaper and better solution for the Government. I wonder whether Coeliac UK, or anyone else, has thought of that.

Gordon Banks: In fact, Coeliac UK, myself and, I think, my hon. Friend the Member for North Durham met Ministers in the previous Government to discuss that very issue. It does not seem to be something that Governments want to embrace, but my hon. Friend the Member for Aberdeen South (Dame Anne Begg) is right—there are other ways to skin the cat. I will discuss those when I talk about the method of prescribing.

Overcharging or excessive charges within the NHS prescription process need to be investigated at national level to hold NHS suppliers to account. It is crucial to patients and to the taxpayer that we implement a cost-effective service that gives the NHS real savings and enhances provision to patients.

As I have said, people with coeliac disease must avoid all foods that contain gluten, a protein found in wheat, rye and barley. Wheat is the most widely consumed cereal in the UK, so a gluten-free diet requires the elimination of staple foods including bread, flour, pasta and biscuits. Gluten is also found in cakes, pastries and in foods that one might not expect, such as many

sauces, soups, soy sauce, ready meals and some cooked meats and sausages. Removing wheat, barley and rye-containing ingredients from the diet can therefore result in a restricted and potentially unbalanced nutritional intake. People with coeliac disease may obtain gluten-free specialist foods from a wide variety of sources including supermarkets, health food shops, mail order and, as we have mentioned, on prescription, but some of the gluten-free brands that are available on prescription are not available from other outlets. It is extremely important that health care professionals provide advice, support and information to ensure that people with coeliac disease have a nutritionally balanced and varied gluten-free diet. Diagnosis should not lead the patient down the path to other unnecessary problems.

Coeliac UK, the Primary Care Society for Gastroenterology and the British Dietetic Association have written guidelines to help health care professionals in prescribing gluten-free foods. The guidelines define different categories—children, male adults, pregnant women and the ages of patients—allocating each a number of units per month per group to maintain adequate nutrition. Each gluten-free product is assigned a number of units: for example, a 400-gram loaf of gluten-free bread is one unit and a 800-gram packet of gluten-free spaghetti is two units. The recommended amount of gluten-free staple food, in units, is based on the total carbohydrate intake providing approximately 50% of the energy intake, with gluten-free foods on prescription making up 15% of that total.

As I have said, coeliac disease is unique in that a specific and effective treatment is available in the form of a lifelong exclusion of gluten from the diet. Those who adhere strictly to a gluten-free diet can lead full, active lives—they can even become Members of Parliament—and are protected from the development of health risks associated with the untreated condition. Research by Hall and Rubin in 2009 shows that among adult patients with coeliac disease, adherence to a strict gluten-free diet is variable, with compliance ranging from 36% to 96%. The evidence also shows that following a gluten-free diet is particularly difficult for those patients with no obvious symptoms. Medical experts and research agree that access to a range of gluten-free food on prescription is important to support people with coeliac disease and to help them to maintain their nutritional needs.

Research undertaken by Coeliac UK, among the charity's membership in 2006, suggests that access to gluten-free food on prescription is regarded as the most important factor for people with coeliac disease in terms of adherence to a gluten-free diet: nearly 87% cited it as an important factor in maintaining a gluten-free diet and 47% cited it as the single most important factor. A further survey on gluten-free prescribing undertaken by the charity in 2011 among 400 people with the condition showed that 60% of respondents rated gluten-free food on prescription as the most important way of obtaining gluten-free foods for their diet. Although people with coeliac disease have varying requirements for gluten-free foods, depending on their age, gender, occupation and lifestyle, having a wide range of specially formulated gluten-free products available on prescription and easily accessible is vital to promote strict dietary compliance.

On the cost of the gluten-free diet to the patient, having the disease does not entitle people to be exempt from prescription charges. People with coeliac disease in England are charged £7.10 per order unless they have a medical exemption due to different health conditions, age or financial circumstance—although they can use a pre-payment certificate, of course. Research from King's College London earlier this year found that there is limited availability of gluten-free foods in different stores and that they are more expensive than their counterparts—I refer the Minister to my Tesco bread comparison. That finding has been supported anecdotally by stories from Coeliac UK members, who often report having to travel to more than one supermarket to complete a shopping trip owing to the limited range of foods in their local stores. The problem is noticeably worse for people living in rural communities, so it is not solely about price; access is also a factor. If one cannot travel to a range of supermarkets for shopping, the lack of a bus service may impact on health.

In the past three years, Coeliac UK has undertaken research into cost comparisons between gluten-free and gluten-containing foods on the high street. On average, gluten-free foods have been found to cost three to four times more than their gluten-containing equivalents. Some foods, such as gluten-free pitta bread, cost seven times more. Again, I refer the Minister to the Tesco bread comparison, to which we will keep coming back. For the average shopper, that can mean a difference of approximately £400 a year for staple foods such as bread, flour and pasta alone. Evidence suggests that people on lower incomes, or families with multiple members with coeliac disease, already struggle to maintain a gluten-free diet and that without access to gluten-free prescriptions their long-term health could be put at real risk.

I understand that there is a number of reasons for the higher cost of specialist gluten-free foods; they include the expense of buying alternative grains to replace wheat, product development, nutritional composition by fortifying with other items such as calcium and the considerable need for food science. However, that does not change the impact on the individual. It is therefore vital that gluten-free foods remain on prescription, as they have done for the past 40 years.

The Advisory Committee on Borderline Substances approves a number of products, such as foods and supplements, that can be available to patients on prescription. When a manufacturer applies to have its product available on prescription, it needs to have it approved by the ACBS. The ACBS will look at the type of product, its nutritional value, cost, and even its wrapping and the words written on the wrapping. The cost covers the cost of the product, plus postage and packaging. That cost should be the total cost to get it from the factory to the pharmacy. Slightly fewer than 200 products are currently approved by the ACBS for people with coeliac disease. They include a range of staple products, as outlined earlier, some ethnic foods and products such as biscuits, if they are necessary for an elderly person's diet or someone who needs a high sugar intake.

Following an internal review earlier this year, the ACBS has agreed that in future it will consider only products that are considered to be dietary staples, including plain breakfast cereals, breads and rolls, crackers and

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crispbreads, flours and bread mixes, pastry mixes, pasta, pizza bases and xanthan gum. That list will become a very firm base to be adhered to. It is, however, worth spending a moment or two on the supply chain for these prescriptions, because that is where I will bring the Minister back to the cost implications that I spoke about earlier.

The supply chain is made up of a web of individual contractual agreements between manufacturers, wholesalers and other distributors and pharmacists. Those individual contracts are not regulated by the NHS. The end price to the NHS is agreed with the manufacturer by the ACBS, and that is the so-called drug tariff price. The end price should include any related transport costs—a point reinforced by the ACBS earlier this year. The costs associated with gluten-free prescriptions hit the NHS when the pharmacist reclaims them, and there are two potential components: the drug tariff price agreed by the ACBS and what are called out-of-pocket expenses, which are very interesting.

The headline costs to the NHS of gluten-free products arise largely from the impact of those out-of-pocket expenses claimed by pharmacists as a result of additional charges invoked by wholesalers and distributors for what is called non-standard supply. For example, the product might not be stocked as a standard item by the wholesalers, it might require ordering from an intermediary, or it might be treated as special because it has a short shelf-life, such as a fresh product has. Those additional costs remain relatively uncontrolled, however, because there is no specific agreement on how much may be charged by the wholesaler. The pharmacists will need to reclaim those out-of-pocket expenses if they are not to be disadvantaged.

The application of such costs varies considerably and depends on the individual contracts up and down the supply chain. It might be difficult for a manufacturer to control the addition of such costs further down the supply chain, just as it might be difficult for pharmacists to control such costs when they are tied to a particular wholesaler. Such practices may be seen in relation to other products supplied to the NHS, and might be increasing as the NHS strikes harder bargains on the supply of high-value contracts for more common treatments. The impact of such practices is not currently understood, so it would be useful if the Minister today commits to a robust assessment of the real costs to the NHS of additional charges associated with the supply of products—not only gluten-free ones—and to instructing relevant bodies to enter negotiations with the supply chain to explore the possibility of reducing costs overall. That might even involve looking at the drug tariff price.

We all recognise the financial constraints currently faced by PCTs and health boards throughout the UK, but responding to those constraints by eliminating access to gluten-free foods is potentially damaging to overall patient health, while there are more proven effective ways of managing the costs of gluten-free prescribing. The NHS should not be subject to excessive charging, but nor should patients be left unnecessarily paying the price of additional costs; instead, we need to be smarter.

We can be smarter by using local enhanced service contracts. Pharmacy-led prescribing schemes allow gluten-free foods to be supplied directly from community pharmacies, thus bypassing the GP. They allow commissioners to standardise prescribing habits, which would address NHS concerns about excessive and off-tariff prescribing. Furthermore, they might help to tackle handling charges by placing limits on what charges may be reclaimed by pharmacists without compromising patient satisfaction.

Looking for ways to streamline the system is not new. In 2001, the Cabinet Office regulatory impact unit published a report on reducing GP paperwork. It recommended that GPs should no longer need to issue prescriptions for gluten-free foods; instead, patients with coeliac disease should be able to obtain supplies from a pharmacy. The proposal was supported by the Royal College of General Practitioners, Coeliac UK and the Pharmaceutical Services Negotiating Committee. The National Pharmacy Association has developed a toolkit for NHS commissioners outlining the business case for an alternative supply route for gluten-free foods on prescription. That is due to be launched this month and is supported by the Primary Care Society for Gastroenterology and the Dispensing Doctors' Association. The toolkit is being promoted to all PCTs, health boards and GP commissioning groups, which are urged to implement the pharmacy-led schemes as soon as possible—but why?

The potential benefits of a pharmacy-led prescribing scheme are many and include: improved dietary compliance and health outcomes, as good dietary adherence is aided by the ease with which patients can obtain appropriate amounts of gluten-free products on prescription; and a reduction in the annual cost per patient for the supply of gluten-free foods. According to surveys of costs from Northamptonshire and Cumbria, savings of between 20% and 40% are possible in the ingredient cost of gluten-free foods. Members might be interested to note that the annual ingredient cost in England for the provision of ACBS-approved gluten-free foods in 2010 was approximately £28.6 million, yet gluten-free foods comprised only 0.32% of the total net ingredient costs of all prescribed products. However, the introduction of a pharmacy-led scheme in England for gluten-free products alone would be expected to produce savings of between £5 million and £11 million in the first year.

Another benefit would be the release of clinical time. In 2002, the Royal College of General Practitioners estimated that the initiative, had it been implemented at that time, would have saved 209,000 appointments or more than 20,000 GP hours of clinical time. In a survey undertaken by Coeliac UK, GPs have confirmed that a change to pharmacy supply eases demands on their time. Also, overprescribing could be prevented by application of national guidelines, as all pharmacy-led schemes are based on the 2004 prescribing guidelines. By following a set monthly allowance, it is possible to prevent individual or nutritionally unsuitable prescribing—that benefit was identified in the roll-out of the Cumbria PCT pilot scheme.

Better cost control could be another benefit, as the pharmacy-led schemes provide better individual patient cost control because the pharmacy supply schemes are based on a system of units of gluten-free foods linked to the patient's dietary needs, rather than on patient-led prescribing by GPs using form FP10. There is a need for better cost control as more people with coeliac disease are diagnosed, in accordance with NICE recommendations.

More diagnosis will itself bring a subsequent risk to GP prescribing costs and time, both of which could be better managed in pharmacy-led prescribing.

A pharmacy-led scheme would also be in line with the 2008 White Paper, "Pharmacy in England: Building on strengths—delivering the future", in that it would reduce the time-consuming administration of repeat prescriptions in GP surgeries; contribute to the range of clinical services offered by pharmacies, in particular to those with a long-term condition; expand patients' access to treatment, making better use of pharmacists' skills; and improve the patient experience, giving more rapid access to gluten-free foods by eliminating the need for GP signature of repeat prescriptions, and allowing more flexibility as products are launched or removed from the market.

Feedback from GP, pharmacy and patient stakeholders in Cumbria and Northamptonshire has been overwhelmingly positive. Cumbria, a county I know well, having lived there as a child, has been at the forefront of GP commissioning and, as such, has been able to assess pharmacy-led prescribing from two different perspectives: that of a GP in a clinical practice and that of a commissioning GP with budgetary responsibility. Dr Fayyaz Chaudhri, a GP in Maryport, said:

"I have been involved with this scheme in Cumbria for a number of years and have first-hand experience of the benefits to both patient and GP. There is a real issue to address in ensuring the supply of gluten-free foods. It is cost-effective for NHS, patient and taxpayer, and I believe that this toolkit needs to be rolled out across the country."

To sum up on prescriptions, I would like the Minister to take note of the price of the Tesco bread I referred to earlier—he wrote it down, I think. Many people cannot afford to pay 800% more for a loaf of bread, more than 100% more for spaghetti, or five times as much for a bag of flour. Prescriptions are important to maintain the health of coeliac sufferers. Evidence from Coeliac UK already suggests that those disadvantaged by such costs will find maintaining a gluten-free diet a real challenge and their heath might suffer in consequence. Experts in gastroenterology have confirmed that access to gluten-free food is an essential part of the treatment for sufferers of coeliac disease. I urge the Minister to look at smarter ways of achieving it and I condemn rash reactions such as withdrawing prescribing, as we have seen in some places.

Le me say a word or two about eating out, to reinforce what I touched on earlier. I know that it is not the Minister's direct responsibility, but he will no doubt feed it back to the appropriate Minister—though he looks puzzled. Currently, eating out is a lottery for people with coeliac disease. The gluten-free diet is not well provided for in the catering industry and dealing with the issue would have significant impact on the quality of life of people with coeliac disease. Although the industry is responding to some degree to the needs of people on a gluten-free diet, provision is not uniform.

Those who eat out often have to draw attention to themselves, asking to see the chef or the list of the ingredients that make up the meal. Often, they are faced with a member of the front-of-house team who has no idea what they are talking about, or they are passed to the chef, who might have a better understanding of their diet, but not necessarily. Catering for a gluten-free diet is not uniformly included in training for chefs and front-of-house staff, and including such training would better equip staff as they move forward in their careers.

Many people with the condition feel that eating establishments lack knowledge and understanding when it comes to offering safe, gluten-free food, so they stay in, keeping their health and money safe at home. We have not discussed cross-contamination, but it is a serious concern, and the nature of the catering industry, with its high staff turnover, can make trusting others with one's diet difficult. As I said, many people therefore take the easy way out and stay at home.

People with coeliac disease represent 1% of the population, or 600,000 people, but the loss to the catering industry is greater, because coeliacs drive the venue decisions of the people they eat with. Research among more than 3,000 people with coeliac disease found that those who eat out do so with a minimum of two to three other people. With an average spend of between £10 and £20 per head, each coeliac meal is technically worth £60.

As I said, however, fears about finding safe, gluten-free options keep thousands of people at home. Some 62% of people suffering from coeliac disease eat out once a month or less, while only 38% eat out once every two weeks or more. When people were asked how often they would eat out if more safe, gluten-free options were available, the figures nearly reverse, with 74% saying they would eat out once or more every two weeks, and only 26% saying they would eat out once a month or less.

In these difficult times for the UK economy, harnessing that untapped market has obvious potential financial benefits for the catering sector. More than 40 pubs and restaurants nationally close every week, and coeliacs represent a huge market, which the hospitality sector cannot afford to miss. People with coeliac disease want to eat out more often, and they would be ready and willing to spend their money, if only they felt confident about gluten-free provision. The catering industry needs to help, and with new EU regulations coming into force next year requiring a reduction to 20 parts per million of gluten for food to qualify as gluten free, it needs to do more to convince coeliacs that it is aware of the law and working within it.

Being elected to this place in 2005 was a challenge to me in more ways than one, given that I was diagnosed with osteoporosis during the election campaign and that I came down here not knowing whether I would be able to eat between Monday and Thursday because of my coeliac disease. However, as a result of contact with Coeliac UK, and with the help of others, such as Lord Bilston and my hon. Friend the Member for North Durham, it was possible to constitute the all-party group. That was done not only to help coeliacs in Parliament, but to allow parliamentarians to use their personal experiences of, or interest in coeliac disease to help to raise the issue directly with the Government, and I am happy that we have been able to do that further today.

I am glad to see both my hon. Friends in their places, and I am sure my hon. Friend the Member for North Durham will not mind me outing him as a fellow diagnosed coeliac. However, there is a serious point here. As I said, one in 100 people in the UK suffer from coeliac disease, but about 500,000 of them have yet to

[Gordon Banks]

be diagnosed. While some of us in the Room share the unenviable label of being among the few MPs to have been diagnosed with coeliac disease, there is a good chance that other Members also have it—they just have not heard the good news yet.

We last debated issues related to coeliac disease in February 2007, so today's debate is long overdue. I am grateful to have this opportunity to lay my thoughts and hopes before the Minister, and I look forward to hearing his comments in a minute.

Dame Anne Begg: Before my hon. Friend finishes, I should pay tribute to the work that he has done to make sure that the catering outlets in the House of Commons offer a gluten-free alternative on every menu. That has made life a lot easier for those of us who are trying to follow a gluten-free diet. More restaurants are following that example, but he is right that eating out, which is often part and parcel of an MP's job, is difficult. However, the House authorities should be congratulated.

Gordon Banks: They should, and I thank my hon. Friend for her comments. We are just waiting for one of us to be elevated to the House of Lords, because there are some difficulties over there.

I might be pushing my luck, but I would like to invite the Minister and his officials to come to a future meeting of the all-party group to talk a little more about what the Government are doing and to hear first hand from non-parliamentary coeliacs, because many of the issues that were relevant to the February 2007 debate are still relevant four years later.

I have talked about the challenges created by eating out. Research from Coeliac UK has shown that almost seven out of 10 people with coeliac disease prefer to eat at home, rather than to go out for a meal. I happen to be making one of my irregular sorties to a restaurant on Friday night, so I hope that the staff at Aldo's in Alloa can cope with me. However, this is not just a social problem. Members of the all-party group will be aware of cases that have been brought to us in which sufferers of coeliac disease have been prevented from joining the police or the Army because of their condition.

Sufferers are looking not for sympathy, but for action, understanding and knowledge. Too often, that knowledge is missing, even among the professionals. I therefore return to some of the points I made earlier. We need to ensure that there is much wider knowledge and understanding of coeliac disease among the public and, perhaps more importantly, among the medical and catering communities. We need that knowledge not only among catering or hospitality staff in local restaurants or hotels; staff in hospitals need a greater understanding of the illness, too.

Let me give an example. A friend of mine who is a social worker told me about an elderly woman from his care home who had been hospitalised. Despite staff from the care home advising the hospital of her need for a gluten-free diet and of her coeliac condition, her social worker walked into the hospital one day and found her sitting up in bed eating toast. If we cannot get this right in hospitals, what chance do we have in the wider community?

We have talked about the economic impact on the hospitality sector, but there is a wider economic issue. For example, children who are off school unnecessarily may face educational challenges that impact on not only their schooling but their employability in later life. Similarly, having part of the work force stuck in the toilet rather than sitting at their desks is clearly something that the country needs to avoid. We all know that a healthier country is a more productive country. Indeed, figures obtained by Coeliac UK show that pre-diagnosis coeliac sufferers took an average of 21 sick days off per year, whereas those who had been diagnosed took an average of only three days off per year.

Work carried out by Coeliac UK suggests that the average age for diagnosis is 41, and the average time taken for diagnosis is 13 years. A great deal of work is therefore required to reduce those unnecessary years of suffering and the worry that accompanies them. There are a number of key messages I want the Minister to take away from the debate—I am sure he already knows them, but I would like to reinforce them. First, early diagnosis is vital. The later the diagnosis, the worse the condition and the worse the implications for other conditions that are likely to be inherited as a result of coeliac disease. Secondly, better management of the condition is possible and will save money.

I have moaned a lot this afternoon about the many problems facing those suffering with coeliac disease, and it would be wrong of me to create the impression that improvements have not been made. Indeed, my hon. Friends have mentioned some of them. Just to take Parliament as an example, the cafeteria was a risk too far for me when I came here in 2005, and my hon. Friend the Member for Aberdeen South alluded to that. Now we have better labelling and greater understanding among the staff, so it is much easier to eat in Parliament, and the staff deserve a big thank you for that. As my hon. Friend mentioned, however, that progress needs to be replicated in work canteens, restaurants, bars and shops across the UK. The products have also got better, even though that is reflected in their cost. It is important to accept that the food must be edible, not repulsive, as it was a number of years ago.

Before I wind up, I want to return to the issue of awareness and to say a few thanks. I never thought I would say this in my parliamentary career, but I would like first to thank the world's No. 1 tennis player, Novak Djokovic, who has been following a gluten-free diet for the past year. That coincides with his rise to the top of the world rankings. It is difficult for me to admit this, but he may serve as a better ambassador for the health benefits of a gluten-free diet than me or any of my hon. Friends here today.

I also thank Phil Vickery, the well known chef, who has focused on gluten-free food and how it can be accommodated in the catering industry, and who is a Coeliac UK food ambassador, and Dr Chris Steele, the well known TV doctor, and another coeliac ambassador, who was fairly recently diagnosed with the condition. The biggest thanks must go to Coeliac UK, where Sarah Sleet and her staff, including Jo Archer, are committed to tackling all the matters that I have raised in a determined and professional way. They represent coeliac sufferers splendidly, and long may they continue to do so.

To sum up, coeliacs want and need better awareness of their condition among the medical profession, an informed approach from the catering and hospitality industry, and an understanding from the Minister that prescriptions are vital but that we may be able to do things better.

3.20 pm

Mr Kevan Jones (North Durham) (Lab): I congratulate my hon. Friend the Member for Ochil and South Perthshire (Gordon Banks) on securing the debate. I also thank Coeliac UK for its work in campaigning and research, and the information that it gives to many thousands of individuals who are diagnosed with coeliac disease.

I have two interests to declare. I am the chair of the all-party coeliac disease group and, as my hon. Friend the Member for Ochil and South Perthshire said, I was diagnosed with coeliac disease nearly 10 years ago. I want to reiterate a point that my hon. Friend made, which is that what we are discussing is not the latest fashionable diet, or a lifestyle choice: it is a medical condition. Sometimes it seems from media coverage, and media understanding of the gluten-free diet, that people have a choice whether to eat foodstuffs containing gluten. We do not have that choice, because of the serious health conditions that my hon. Friend has already mentioned. It is important to ensure awareness and wider understanding, including among GPs.

It is worth reflecting on how people are diagnosed. I was diagnosed 10 years ago, at the age of 37. Did I know I was intolerant to gluten? No, I did not. It was only following a serious stomach operation that the consultant who treated me did tests and biopsies, and said, "You do realise that you are suffering from coeliac disease." Had I heard of coeliac disease? No, I had not. As with all such things, people learn quickly. I have heard stories from talking to many members of Coeliac UK regional groups—and I thank the volunteers who run local groups for providing information. More often than not, the people I have talked to received mistaken diagnoses. Awareness among consultants, as well as GPs, is an issue.

One may ask what the average age of a coeliac is, but there is not one. I have met parents whose children became ill soon after they began eating food, by two and three years old. My 71-year-old mother was diagnosed only last year, and that was only because I asked her to insist that her doctor tested her for it. Interestingly, many of the complaints and health issues that she has had over many years were explained by coeliac disease, and the diagnosis has changed the way she feels. Awareness is important, therefore, not just in the wider population, but among GPs, to ensure that they ask the questions to find out whether a patient's symptoms are down to coeliac disease—and the symptoms can be quite varied, as my hon. Friend the Member for Ochil and South Perthshire said.

I do not think that matters have been helped in the past few months by press coverage of prescription charges. Some of the debate is ill-informed. Earlier in the year a headline in *The Sun* ran: "NHS pays £32.27 for a loaf of bread". As my hon. Friend has mentioned, if the story had been looked into, it would have been found that the sum was paid not for one loaf of bread, but for a number of products. However, there are underlying issues, which can be remedied by some of my hon. Friend's suggestions. Nevertheless, the entire tenor of the article was that people are somehow getting free food on the NHS—not just loaves of bread but biscuits, cakes and things like that, which is not the case. Gluten-free products are a very expensive part of the household budget, certainly for families with more than one person affected. I do not get products on prescription, but purchase them. My hon. Friend the Member for Aberdeen South (Dame Anne Begg) is right; the range of products available now is far wider than when I was diagnosed. As for the idea that people are getting foods free, as has been said, they are not: if they receive them on prescription they will pay for that anyway. Many people do not choose to take anything in that way.

The reaction to the publicity, and the pressure on NHS budgets to secure value for money, which we would all support, has been a knee-jerk reaction to go the other way and reduce the number of products that people can get. That is not acceptable for low-income families and those who rely on gluten-free products on prescription. My hon. Friend the Member for Ochil and South Perthshire talked about a cost of about £400 a year, but in some cases it could be more, depending on how many affected people there are in a family. It has been recognised that the condition is not a fad or lifestyle choice, but a disease that needs treatment; and proper management can save the NHS money. People will not present at GPs' surgeries with undiagnosed conditions. They can live perfectly well with the condition if it is properly managed; and my hon. Friend might agree that in some cases that improves health, because the diet is quite healthy—including, in my case, not being able to drink beer.

There has been a knee-jerk reaction from some PCTs. Is it acceptable that arrangements with suppliers are costing the NHS money? No—and I think that the Cumbrian and Northamptonshire examples are a way forward. If we encourage PCTs to adopt the approach of having prescriptions managed by the pharmacist, not only will the NHS save a lot of money, but that will be better for people who suffer from coeliac disease than going to the doctor for a prescription. I have talked to my GP about it, and doctors do not really review what is on the prescription. They just keep signing it. At least if the process happens in the pharmacy, the pharmacist, who knows the people involved, may review the quantity or type of products that the individual wants. I think that it would reduce the possibility of people getting the same prescription repeatedly, whether they need it or not. The pharmacist would be able to manage things: if someone has a prescription for eight loaves, but does not need them, why keep paying for them?

The examples and pilots in Cumbria and Northamptonshire show that not only can costs be driven down, but the service to the patient can be improved. There is an easy win there, and Coeliac UK and pharmacists are quite keen on the idea, and so are GPs, because it would cut the person hours taken up in writing the prescriptions. The pilots provide good instances of how GPs' time is freed up. I urge the Government to look seriously at that, and consider how such best practice can be moved across. Quite rightly, when there are lurid headlines about people paying £32 for gluten-free bread, on top of the actual costs, that is not acceptable.

[Mr Kevan Jones]

If we can do something to reduce that problem, it would be good. We need to see more positive and constructive articles. To be fair, the *Daily Mail* in its health section has carried quite a few good articles about coeliac disease, explaining its symptoms, and promoting the suitable food that is available.

Some quick wins are available for the Government and the NHS, if they are allowed to take them on board. As chair of the all-party group, I would like the Minister to attend a meeting if that could be fitted into his diary commitments, and to meet the members of the group and others from around the country.

The Minister of State, Department of Health (Mr Simon Burns): I am grateful to the hon. Gentleman, and it would be extremely useful to attend such a meeting. However, he may wish to invite the Minister of State, Department of Health, my hon. Friend the Member for Sutton and Cheam (Paul Burstow), who is the lead Minister on this medical condition.

Mr Jones: I am disappointed about that, because I was looking forward to the right hon. Gentleman's attendance. He is a good friend, but I will obviously leave it to the Department to decide who is the best person to come, and we will certainly issue that invitation in the next few days.

I want to pick up some of the issues that my hon. Friend the Member for Ochil and South Perthshire raised, including the products that are available. My hon. Friend the Member for Aberdeen South was right when she said that products have changed remarkably in the last 10 years from bread like cardboard that was hardly edible without a pint of water to some very good products on the market now. It is interesting that on the commercial side, large bread manufacturers such as Warburtons are producing gluten-free bread, so it obviously sees a market. I have tried its bread, and it is very good. Likewise, the invention of products such as Genius bread has completely changed the type of bread that is available, and the technology for producing it.

The supermarkets have also changed. Asda, Tesco and Sainsbury's in particular have done two things. First, they have shelving dedicated to gluten-free products, which is important. Secondly, labelling has changed, which is important for people who suffer from coeliac disease, because it is amazing how many products contain gluten. Some flavours of crisps contain gluten, but others from the same producer do not. Correct labelling is important for all products so that people may buy with confidence, and see that the products that they are buying are gluten-free. It is important that the supermarkets recognise that there is a large and growing market for such products, so anything we can do to encourage better labelling of food content is important.

My hon. Friend referred to eating out, which can be difficult, although some restaurants recognise the problem of gluten in certain foods. However, the bane of my life is organisations that provide food on airlines and National Express, on which I sometimes travel. The people serving the food have no understanding of what a gluten-free diet is, and offer everything from sandwiches to sausages. When asked whether those foods contain gluten, they look blank.

The other reaction, which one gets from British Airways and which is amazing, is that whenever one asks for a gluten-free meal it thinks that that means vegetarian. I am not sure why, but it seems to think that one can eat what everyone else eats, but without the sauce. It seems to think that coeliacs are vegetarians, and my usual response is to ask whether I look like a vegetarian. There should be a campaign to persuade airlines and train companies that provide meals to ensure that their staff know what a gluten-free diet is. They could also be more imaginative about what they provide, because it is often inedible.

Dame Anne Begg: My hon. Friend may agree that if one tells an organisation that is providing a sandwich lunch that one wants a gluten-free sandwich, it always seems to provide the worst possible gluten-free bread, without the same filling as everyone else. One is given processed cheese or a bit of cold ham, and looks lovingly at the filling in everyone else's sandwiches. Not only does one get the worst bread in the world, one gets the worst filling in the world, when it would have been easier to take out the original filling and put it on a plate to make quite a good salad.

Dr William McCrea (in the Chair): Order. Time is passing, and the Opposition Front Bench spokesman and the Minister must make their winding-up speeches, so perhaps the hon. Gentleman will draw his comments to a close.

Mr Jones: I agree with my hon. Friend. When I was a Minister, it took at least six months to convince those in my private office at the Ministry of Defence that I did not want a salad whenever I went anywhere.

I congratulate the House authorities on the steps that they have taken in the House of Commons to provide gluten-free products, including meals, and to put the crossed grain logo on menus and so on to inform people. I hope that the House of Lords will eventually follow the same principle. That shows that it is possible for catering establishments to provide for people who need a gluten-free diet, and the House of Commons should be congratulated. There are some important issues to consider, and I hope that today's debate has raised awareness about people who suffer coeliac disease, and provided some practical suggestions, which I hope the Minister will consider.

3.37 pm

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): I apologise for being a few minutes late for the debate. I was speaking in the debate on Health and Social Care (Re-committed) Bill that is taking place in another part of the building.

I congratulate my hon. Friend the Member for Ochil and South Perthshire (Gordon Banks) on securing this important debate. It is always important when hon. Members with personal experience of an issue or condition take the opportunity to make the rest of us aware of that experience, as he has done.

As we have heard, Coeliac UK is doing excellent work, and one of the concerns that it has raised with parliamentarians is the challenge that people with coeliac disease face when eating in hospital. It says that hospital food is often restricted, and even unsafe. It receives

many calls from members who have been in hospital, and have returned home malnourished and having suffered considerable weight loss. Sometimes friends and family have to provide gluten-free food. I hope that the Minister will tell us what action his Department is taking to ensure the availability of gluten-free food in hospitals throughout England and Wales.

Hon. Members will be aware that as well as securing today's debate, my hon. Friend tabled an early-day motion in June 2010 to raise the issue of diagnosis rates. He has spoken very well on the matter this afternoon. In a parliamentary question, my hon. Friend the Member for Slough (Fiona Mactaggart) asked what information the NHS provides to people who are diagnosed with coeliac disease on managing their condition. The departmental response referred to a website with detailed information. The site also has information on how to ensure a gluten-free diet, with helpful examples of food to avoid. However, in the light of the large number of undiagnosed cases that we have heard about, I wonder whether the Minister has recently discussed the diagnosis and management of coeliac disease with representatives of the Royal colleges and other bodies representing medical professions.

My hon. Friend the Member for Aberdeen South (Dame Anne Begg) tabled an early-day motion early this year on issues relating to the hospitality industry, which we have heard more about this afternoon. What discussions, if any, has the Department held with the hospitability industry?

Outside Parliament a wide range of organisations, including Coeliac UK and the British Society of Gastroenterology, carry out excellent work on the condition. In particular, the British Society of Gastroenterology feels that an active case-finding strategy will increase the number of patients detected with coeliac disease. Does the Department have such a strategy at present?

Last year the British Society of Gastroenterology published its "Guidelines for the management of patients with coeliac disease", in which it made a number of recommendations on what testing for coeliac disease should incorporate and how to best manage patients. Has the Department looked at those recommendations, and does it have a position on the management of patients with coeliac disease?

We have already touched on the excellent work of Coeliac UK and its ongoing campaigns such as the "Eating Out" campaign, which focuses on the food service sector, or the "Product" campaign mentioned earlier, which is about having a greater availability of gluten-free foods in supermarkets and on prescription. Of course, Coeliac UK is concerned that the medical profession has under-recognised coeliac disease so far. It is not routinely tested for, and Coeliac UK is campaigning to change that. We must build on the successes achieved, and I would be interested to hear how the Department plans to support the ongoing campaigns and the further work of Coeliac UK.

We have already heard about diagnosis, and the Minister will know that Coeliac UK has petitioned the Government to improve the rate of diagnosis of coeliac disease by including a target for GPs in the quality and outcomes framework. If a target on coeliac disease were to be included into that framework, GPs would have to deliver a better rate of diagnosis of the condition. That campaign has attracted nearly 9,000 signatures, and Coeliac UK is continuing with that and has made a new submission to the National Institute for Health and Clinical Excellence for such a target to be included. It would be helpful if the Minister updated us on the Government's position on the issues raised in that petition.

Apart from early diagnosis and the management of coeliac disease, my hon. Friend the Member for Ochil and South Perthshire called this debate to discuss community-led pharmacy prescriptions. He has spoken effectively on that matter.

Moving on to the socio-economic impact of coeliac disease, we know that it is difficult to assess the overall burden of the disease owing to the absence of recorded information on diagnosis rates. There is a need for a central register of patients with coeliac disease, and I wonder whether the Minister will comment on that. We know that coeliac disease has an impact on both the individual and the community because of its high prevalence and the long-term complications arising from late diagnosis. The development of osteoporosis or bowel cancer has an impact not only on the individual affected but on the community and the health service. Even in the short term, the absence of diagnosis has a socio-economic impact. My hon. Friend said how shocked he was when his GP said, almost lightly, that he had missed two other cases of the disease that month. According to an independent study commissioned by Coeliac UK in 2006, just under half of people with coeliac disease who had been wrongly diagnosed believed that their job or career had suffered due to the condition prior to diagnosis.

As we have heard, Coeliac UK wants to see greater understanding and familiarity with the disease among GPs, and higher levels of referral to dieticians. A survey of registered dieticians conducted by Coeliac UK showed a wide variation nationally in the provision of dietetic expertise for patients with coeliac disease. Current provision is around one third of what it would be were we to provide diagnosed coeliacs in the UK with basic support and an annual review.

I will conclude my remarks by saying to the Minister that there is a continued cost to the health service due to repeat visits to GPs by people with undiagnosed coeliac disease—my hon. Friend referred to that in his personal case. Furthermore, left untreated or undiagnosed, coeliac disease can lead to more serious complications such as bowel cancer, which puts an even bigger drain on health service resources. Coeliac UK recognises the competing demands on health service resources and budgets, but coeliac disease is easily controllable once diagnosed—we can see that by looking at my two hon. Friends the Members for Ochil and South Perthshire and for North Durham (Mr Jones), who are able to be excellent and inspirational Members of Parliament because their coeliac disease is so well managed. It is a disease that can be self-managed if diagnosed early enough in life.

Government policy needs to acknowledge the scale of the impact of coeliac disease across a large segment of the population. Policy must also take into account the potentially serious nature of the disease, the cost in financial terms, and the suffering of the undiagnosed. In particular, measures should be taken to address the lack of awareness about the disease and provide a framework to ensure that GPs receive appropriate training and resources. Ongoing training should be provided to enable GPs to give better care in the community.

[Ms Diane Abbott]

Once again, I congratulate my hon. Friend the Member for Ochil and South Perthshire on securing this debate, and my hon. Friend the Member for North Durham on chairing the all-party group on coeliac disease and dermatitis herpetiformis. A number of colleagues from all sides of the House take a keen interest in this issue and wish to commend the work of the all-party group in promoting awareness about the disease. I look forward to the Minister's response.

3.45 pm

The Minister of State, Department of Health (Mr Simon Burns): May I say what a pleasure it is to serve under your chairmanship again, Dr McCrea? I will begin with some congratulations and an apology. The congratulations go to the hon. Member for Ochil and South Perthshire (Gordon Banks) on securing this debate and on raising the issues faced by people living with coeliac disease. It was genuinely fascinating to listen to him speak about a long-term condition that, as was mentioned by other hon. Members, is unknown to a vast majority of people in this country. To hear at first hand about the day-to-day living of someone with that long-term condition was extremely interesting and illuminating.

The question of illumination is where I get to my apology. I must apologise to the hon. Gentleman because I am afraid he got the monkey rather than the organ grinder this afternoon. As he will know, the Minister of State, Department of Health, my hon. Friend the Member for Sutton and Cheam (Paul Burstow), is the lead Minister in the Department for issues such as coeliac disease and other long-term conditions. As the hon. Gentleman will understand, deliberations on the Health and Social Care Bill are reaching their concluding hours on the Floor of the House of Commons as the legislation approaches Report and Third Reading. The Minister of State's debate on Report clashed with this debate in Westminster Hall, so I am an inadequate stand-in for him. I assure hon. Members, however, that I will draw his attention to a number of points that have been raised this afternoon, and I know that he will be interested to read the debate tomorrow. If there are other issues that he needs to answer, I will make sure that he does so. In the time available, I will try to respond to as many points raised by hon. Members as I can. If time does not allow all those points to be answered, I will ensure that they receive a letter to clarify any outstanding issues.

For those hon. Members who are not aware of coeliac disease—I know that there are none in the Chamber today, but I am sure that there will be some MPs who follow health issues assiduously in *Hansard* but who are not as knowledgeable as those present in the debate—let me say that the disease is a common condition that affects approximately one in every 100 people in the UK. Rather surprisingly, women are two to three times more likely to develop the condition than men, although there seems to be no apparent reason for why that should be the case. Cases of coeliac disease have been diagnosed in people of all ages, as the hon. Member for North Durham (Mr Jones) mentioned when illustrating one of his points. It is therefore crucial that information, education and support are available for individuals as well as the other people involved in their lives, such as parents, teachers, carers, employers and others.

There is only one clear path to get properly diagnosed—again, early diagnosis was another theme that was echoed by all three hon. Members who took part in the debate. That is an extremely important issue. The points that hon. Members raised in making the case for early diagnosis are unanswerable. It is crucial. However, as they will know, getting a proper diagnosis requires a blood test and endoscopy with biopsy. We of course welcome any new tools that can help to get more people diagnosed. However, it must be recognised that pinprick self-testing kits do not replace a medical diagnosis. Indeed, for a definitive diagnosis, it is important that people have not already taken gluten out of their diet as a result of self-diagnosis, because that can lead to the diagnostic tests being inconclusive, with all the unfortunate results that that has.

Anyone experiencing symptoms of coeliac disease should seek the advice of their doctor to get a proper diagnosis and professional dietary advice on how to manage their condition. We must ensure that people living with coeliac disease get the best clinical advice and support available, that they are involved in decisions about their care and that they are fully supported to make informed choices.

The hon. Member for Ochil and South Perthshire said, "Why not use the QOF?" With regard to the testing of people and of members of their family to see whether they may have the disease, we believe that it is up to people to raise any concerns that they have as a result of a family member having the disease, and that is likely to result in a test for coeliac disease for those people.

I think that the hon. Gentleman specifically asked—I hope that I have got this right—when or if there would be NICE guidelines. On that issue, I have what I hope is some rather good news for him. There are already NICE guidelines on diagnosis and recognition. They were published on 27 May 2009. The reason that the guidelines were drawn up is that they were part of a determined campaign in the NHS and, to be fair, by the Government of the day to improve recognition of the disease and to increase the number of people diagnosed with it.

Gordon Banks: I am well aware of what the Minister is referring to; indeed, I alluded to it in my contribution. What I am saying is that there is now an opportunity through the QOF framework to make coeliac disease one of the 150 measurable outcomes for GPs to be measured against.

Mr Burns: I am grateful to the hon. Gentleman. He makes a perfectly reasonable point. I will certainly ensure that his comments are drawn to the attention of NICE, because of course it will be NICE, working with the Department of Health, that draws up the list of conditions. That is apart from the standards that it is already working on. As the hon. Gentleman said, between 150 and 180 are being considered. I will ensure that his comments are drawn to NICE's attention.

Gordon Banks: With regard to the points that the Minister has made, which I did allude to, those are not mandatory, enforceable measurements. That is why we need something more.

Mr Burns: I am grateful and I will ensure that the hon. Gentleman's recommendation and the points associated with that are drawn to the attention of the relevant bodies, so that they can be considered as NICE considers its programme for the standards.

The question of managing coeliac disease in the NHS featured in a number of contributions today. The NHS is best placed to determine and manage its services locally, supported by clinical guidelines and close community and partnership working. The NICE guidelines on recognition and diagnosis of the condition are supported by prescribing guidelines for professionals on prescribing gluten-free foods, developed in association with the British Dietetic Association, the Primary Care Society for Gastroenterology and Coeliac UK.

The NHS also has to ensure that the resources that it has available are used to greatest effect. That is another theme that I think was developed by all three hon. Members who took part in the debate. Some of the comments concentrated on the question of prescriptions. One area in which spending needs to be more effective in order to meet rising demand for services is prescribing, as hon. Members said. A range of programmes is in place to try to reduce the money spent on prescribing drugs, and the review of gluten-free food prescribing is part of that process.

Discussions are taking place throughout the country on that matter. In the south-east—the hon. Member for Ochil and South Perthshire referred to this—a review was conducted of gluten-free prescribing policies across the region. That was led by medicines management leads, who are pharmacists, from the different counties. They made recommendations that caused concern to some patients. However, as a result of their subsequent discussions with patients and, indeed, the role played by Coeliac UK, a number of changes are to be made to their original proposals. I will add that GPs are not prevented from such prescribing if specific patients are considered to have a special clinical need. I hope that that reassures the hon. Gentleman.

It is a matter for doctors' clinical judgment which products they prescribe for their individual patients. They are not prevented from such prescribing if patients are considered to have a special clinical need. We fully expect GPs and other health professionals who prescribe gluten-free products to assess the dietary requirements of individual patients, taking into account not only their nutritional requirements but their lifestyle and other needs. We expect the provision of food items to be based on individual needs, not on a preconceived idea of what someone ought to receive.

We believe that patients stand to benefit from the modernisation of commissioning, as that will enable GPs to focus resources to meet the local needs of their population and enable local people to be involved in shaping services that are crucial to them. It will be for consortia to determine how they organise themselves to commission services for patients affected by coeliac disease. The new arrangements in the NHS are designed to ensure that GPs are in the driving seat on commissioning services for their local population.

Gordon Banks: In my contribution, I spent a considerable amount of time talking about pharmacy-led prescribing. The Minister has gone around the houses on that; he has not really addressed it directly. In the last two and a half minutes of the debate, could he deal with it in a little more detail?

Mr Burns: I am planning to come to that, but first I want to deal with another issue that the hon. Gentleman raised—food labelling. I will then move on to prescribing. If I run out of time, I will ensure, as I promised, that I write to him.

Food labelling is crucial to patients' quality of life, and improvements have needed to be made. The coalition Government want to see health and social care provided in a way that achieves better outcomes and delivers personalised services, focused around individuals, not organisations, and ending up with care and support that is of a higher quality and safer than ever before.

For people living with coeliac disease, having the right information about the gluten content of food is crucial. That has certainly emerged in the course of this debate. Prescribed foods represent a small proportion of an individual's diet. People with coeliac disease buy most of their food from high street shops, like everyone else. It is therefore important that food labelling is comprehensive and reliable. It has got better in recent years, particularly in supermarkets, which the hon. Member for North Durham mentioned, and in some restaurants—although there is a long way to go—as more and more people become aware of the condition. Indeed, a wide selection of gluten-free foods is now available at supermarkets. That was not the case 10 years ago.

New labelling requirements introduced in January 2009 for full implementation on 1 January next year are designed to reduce confusion and to help people with coeliac disease to make safer choices about the food that they eat. The legislation sets out new low limits for gluten in foods making "gluten-free" and "very low gluten" claims, so that consumers can understand how much gluten there is in the foods that they buy. The Government are working with industry, health professionals and Coeliac UK to provide advice for consumers on what the new legislation means for them.

As I am running out of time and sadly have not been able to cover all the points, I give hon. Members a categorical assurance that they will receive a letter answering in detail the outstanding points that they have validly raised during an extremely interesting and high-quality debate.

Wind Farm Development (Sedgefield)

4 pm

Phil Wilson (Sedgefield) (Lab): It is a pleasure to speak under your chairmanship, Dr McCrea.

Whenever we have a debate about wind farm development and the instigator of the debate opposes a planned wind farm, there are cries of nimbyism or of the Member being at the climate-change-denial end of the spectrum. I am the instigator of this debate, but I am not a nimbyist or a climate-change denier. Nevertheless, I am opposed to E.ON's proposal to build a wind farm in my constituency of up to 45 wind turbines, each four times the height of the Angel of the North. It will cover 7½ square miles of my constituency, or 5% of its geographic area—equivalent to the size of Newton Aycliffe just to the west of the proposed site, which has a population of about 30,000.

If E.ON's proposal was for the only wind farm in County Durham, I could stand accused of nimbyism, but it is not. There are already 16 in the county, and another has received planning consent but has yet to be built. The site in the Sedgefield county ward where E.ON proposes to build has a cluster of 17 wind turbines, 10 of which are run by E.ON and seven by Wind Prospect. If the E.ON proposal goes ahead, there could be as many as 62 turbines in one ward, and that does not include a further application for three turbines at Foxton lane, which is south of Sedgefield village and in the same ward. However, those are not the only developments that are being proposed or granted. It seems as if there is a steady stream of developers coming to my door proclaiming the merits of their schemes. In isolation, one scheme may have a lot going for it, but as one of many they have a cumulative impact, and the landscape's capacity to take more turbines is questionable.

Glyn Davies (Montgomeryshire) (Con): I thank the hon. Gentleman for allowing me to intervene. I wish to express sympathy with his cause. We have exactly the same problem in my constituency, with a huge number of wind farms coming along that will completely destroy the area. The hon. Gentleman should know that he is not alone; others feel the same. Virtually every resident of Montgomeryshire will sympathise with him.

Phil Wilson: I thank the hon. Gentleman for his intervention. There is a lot of discontent in certain parts of the country, because the matter is pertinent to parts of Wales and Scotland, as well as to County Durham and to one or two other parts of the country. A case can be made for wind farms, but when there are dozens in one area it has an impact on the local landscape.

Pat Glass (North West Durham) (Lab): I am grateful to my hon. Friend for giving way. His is a neighbouring constituency.

County Durham was the first county to reach its 2010 target, and it is well on its way to reaching its 2020 target for renewable energy. Like my hon. Friend, I have many wind farms in my constituency, which is largely rural and has two areas of outstanding natural beauty. Energy providers now acknowledge that the cumulative effect of ever more developers rushing to build wind farms is reaching saturation point in the county.

Phil Wilson: I thank my hon. Friend for her intervention. In a moment, I shall be pointing out how much of a role County Durham and Sedgefield residents are playing in combating climate change.

It is the job of each developer to promote their schemes, but because the planning system is run on a first-come, first-served basis there is a rush to the planning authorities, and local people are left feeling under siege and helpless. I shall give an example by detailing the level of interest in and around my constituency by developers. I say "in and around the constituency", because when my constituents look out of the windows they do not see the boundaries between constituencies; they see pleasant countryside. Indeed, from certain parts of the constituency they can see magnificent views of the North Yorkshire moors and Cleveland hills.

This is the state of play. As I said, 16 wind farms are up and running in County Durham, and another has been permitted but has not yet been built; 67 turbines are generating 126 MW. A further five wind farms are in planning, with a further 10 turbines; and three are in pre-planning with 18 turbines. That is a total of 95 turbines. Then there is the mother of all wind farms, the Isles wind farm proposed by E.ON, which will raise the number of turbines, operational and proposed, to as many as 140.

Within hundreds of metres of the Durham county council border at Sedgefield, three turbines are operational near Elwick. Just to the south, along the A1, a further six have been granted at Red Gap farm. Three turbines have received planning consent at Lambs hill near Stockton, and they directly affect my constituency because of their proximity. In the borough of Darlington, an area that I share with my hon. Friend the Member for Darlington (Mrs Chapman), three are proposed at East and West Newbiggin. Banks Renewables has gone to appeal on a wind farm of 10 turbines at Moor House farm, just to the south of E.ON's large proposal. The list goes on.

Local people feel inundated and helpless. I am sorry to say that they are resentful of a planning regime that does not seem to listen to them. I accept that not all the proposed wind farms will go ahead. However, the Minister cannot deny that they will have a cumulative impact in County Durham and the Tees valley plain. When I say no to the Isles wind farm, I do so because I know that my constituents in County Durham are doing their bit. Even the developers are starting to concede that point. A representative of Banks Renewables, wind farm developers that have sites in the county, was interviewed by the *Teesdale Mercury* on 24 August 2011. He said:

> "An unfortunate repercussion of County Durham being forward thinking in its approach to renewable energy development is the potential for cumulative impact to occur...The pursuit of several wind farms within the county by competing developers has potential to cause an unacceptable impact upon the landscape."

He is absolutely right; in my view we are already at that stage.

County Durham's record on renewable energy is another reason why I believe that we are not being nimbyist in our approach. The county council was the first local authority in England to have a renewable energy strategy; it dates back to 1994. The renewable electricity target

for County Durham in the regional spatial strategy—I realise that it does not apply any more—was 82 MW installed capacity by 2010. Since then, about 165 MW of installed capacity of renewable energy development has been permitted in the county. Only 11 MW of that was permitted on appeal—the majority, 154MW, was granted by the council.

A capacity of 165 MW will meet about 55% of County Durham's household electricity consumption, or 22% of the county's overall electricity consumption. That is a fantastic record, and one of the best in England. I am sure that the Minister will agree that County Durham is doing its bit, and I hope that he will pay tribute to the county's record.

County Durham's 2010 target has been met and exceeded by a substantial margin. The aspiration to double that target by 2020 has already been achieved, and progress is being made towards the more recent national target of 30% by 2020. That has been achieved through a planned approach based on the north-east region's renewable energy strategy and development capacity studies commissioned and endorsed by local authorities in the region.

The Tees plain was identified as a broad area of least constraint for wind energy development. Its capacity was identified as being between 20 and 25 turbines. It is covered by four local planning authorities—Durham county council, and Stockton, Hartlepool and Darlington borough councils. A development capacity study was carried out by consultants Arup in 2008, when there were a total of 20 operational or permitted turbines in three wind farms. It concluded that there was potential to exceed the level of development anticipated, and that two additional wind farms totalling between nine and 15 turbines might be acceptable.

Since then, two additional wind farms totalling nine turbines have been permitted. The area is therefore at or approaching the capacity identified in the Arup report. Currently, there are planning applications for three additional wind farms and a single turbine development in the area, totalling 13 turbines; and one planning application for 10 turbines is in abeyance. Those applications will be determined against the development plans of the relevant planning authorities, having regard to both the Arup capacity study and the evolving cumulative impact picture as they progress through the system. According to impact assessment studies, the area chosen by E.ON at the Isles—the company has built many wind farms in the area—can cope with only four to six turbines, but E.ON plans between 25 and 45. Durham can meet its targets because we have proved willing to embrace other renewable technologies in the same area. In Chilton, which is in my constituency and north of the Isles, Dalkia has just opened a biomass facility, producing 15 to 17 MW of electricity. Some 24.4 MW of electricity is generated from biomass in the county, 12.7 MW from landfill and 2.1 MW from hydro. County Durham is playing its part. Everyone wants to share the benefits of renewable energy, but we also need to share the burden.

Alex Cunningham (Stockton North) (Lab): I hope my hon. Friend and my neighbouring MP will forgive me if I go off on a slight tangent. Does he agree that while our constituents are getting the pain of wind farms, they are not getting the benefits? That was perhaps best illustrated this week when EDF awarded all its contracts for a massive wind farm off the Teesside coast to companies abroad, instead of creating jobs in our constituencies for our people who have the skills and facilities with which to build that farm.

Phil Wilson: My hon. Friend makes a very important point. Although the landscape in the area has begun to be reindustrialised, we are not getting any of the benefits.

We are getting energy from other renewable sources such as hydro, landfill, and biomass, and now our constituents are beginning to wonder whether we are all in this together. They look at Hampshire, which is using three times as much energy as Durham but taking only about 4% of it from renewables. Moreover, there is not one on-shore wind farm in the area, despite the fact that it is the county in which the Secretary of State for the Department of Energy and Climate Change has his constituency.

Only five members of the Cabinet have wind farms in their constituency. Some have a lot. The Chief Secretary to the Treasury has 259 in his constituency of Inverness, Nairn, Badenoch and Strathspey, but his constituency covers 1,911 square miles—almost as many as there are amendments to the Health and Social Care Bill. The Scottish Secretary has 226 turbines in a constituency covering almost 1,500 square miles. The Foreign Secretary, whose constituency is adjacent to mine, has 24 turbines in an area covering 739 square miles. Sedgefield covers 151 square miles. If the developers get their way and all 87 turbines get the go-ahead, we could see one turbine for every 1.7 square miles. Does the Minister not agree that the planning system for such huge structures is chaotic?

Mr Kevan Jones (North Durham) (Lab): Is my hon. Friend aware of the concerns of Newcastle airport about the concentration of wind farms and of the Ministry of Defence over the effects that such a concentration will have on using parts of the north-east for low flying?

Phil Wilson: That is an important point. Durham and Tees Valley airport, which is in my constituency, occasionally raises important issues about radar. I have seen the wind farms on its radar scopes. Pilots have to navigate their way round the wind farms to avoid hitting them. Moreover smaller aircraft have to cope with the turbulence that these turbines generate.

What we are facing in County Durham is the reindustrialisation of the landscape, but without the jobs. Durham county council has done tremendous work over the past 30 or 40 years in reclaiming the pit heaps that scarred the landscape for generations. At the height of the coal mining era, thousands of jobs were created in the area. Wind turbines are not bringing that kind of benefit to the region. Reindustrialisation with jobs is one thing; without jobs, both the land and the people are being taken for granted. Their good nature is being abused and that is simply not good enough.

According to the Renewable Energy Foundation, if the Isles wind farm goes ahead with 45 turbines, E.ON will see a revenue stream of more than £570 million over 25 years, some 54% of which is subsidised through our utility bills. E.ON has said that the Isles wind farm could generate enough electricity for 53,000 households. The subsidy would equate to £235 per household per

[Phil Wilson]

year. The community benefit that it proposes is £460,000 a year or £8.60 per household. The company is taking with one hand and giving us back peanuts with the other. What plans do the Government have to reform or review the subsidy system for wind farms and for renewable energy in the round?

Only a handful of landowners on the Isles will benefit from the rental income from the turbines on their land. One developer said that the income from each turbine is, on average, between £10,000 and £15,000. I do not know the rental figure for the Isles, but even at £10,000, 45 turbines will bring in some £450,000 income for a handful of landlords—the equivalent in community gain for a population in the area of between 40,000 and 50,000.

The Government are looking at the business rates that would be generated if the wind turbines stayed with the local authority. According to the House of Commons Library, business rates income from the Isles would be less than £1 million. That may seem a lot of money, but it is not when we consider the plans of the Department for Communities and Local Government for business rates retention, which could see tens of millions of pounds removed from Durham county council's budget. Again, this is about taking with one hand and giving back peanuts with the other.

The designs for the Isles place the turbines on either side of the A1 and the east coast main line—the main transport arteries through the north-east. If someone enters County Durham by road or rail from the south, they have to go through my constituency. I do not want the first thing that they see to be a massive wind farm of between 25 and 45 wind turbines, each four times the height of the Angel of the North, each a clone of its neighbour and each working only intermittently. Durham county council has informed me that the average capacity factor for a wind turbine nationally between 2004 and 2008 was 27%. Recently, the average for wind turbines in County Durham has been almost 20%. That belies the claim of many developers, especially E.ON, who say that the Tees valley plain is appropriate for wind farm development. They would not develop wind farms if it were not for the subsidy. Does the Minister not agree that it is time for that process to be reviewed and changed?

E.ON's imposition on the landscape will affect tourism and the willingness of housing developers to build in the area. I want to see new industry come into the area, Hitachi is to build a train factory at Newton Aycliffe and I want that to be followed by more industry, which means that we need further housing in the area—not just affordable but executive as well—and leisure facilities. This massive wind farm could have a negative impact on such developments.

The Duke of Northumberland has said he will not allow wind farm development on his land. In *The Daily Telegraph*, he said:

> "I have come to the personal conclusion that wind farms divide communities, ruin landscapes, affect tourism, and make minimal contribution to our energy needs and a negligible contribution towards reducing C02 emissions. The landowner and developer are enriched while the consumer is impoverished by higher energy costs. Turbines are ugly, noisy and completely out of place in our beautiful, historic landscape."

Will the Minister look closely at wind farm development in County Durham, as it has caused a great deal of anxiety in the community? I believe he will see that the cumulative impact is not just a threat but is already with us. He will find that developers are targeting the county because of the good nature of its people. Low incomes will provide the incentive for local people to accept the small amount of money from community gain and ensure that they will find it difficult to raise sufficient funds to campaign against the wind farms.

Local people feel as if they are involved in a David versus Goliath contest in taking on E.ON. Campaigners against the Isles have come together. The following towns and parish councils are against the development: Bradbury, Brafferton, Bishop Middleham, Bishopton, Bolam, Chilton, Coatham Mundeville, Elstob, Ferryhill, Fishburn, Foxton, Great Stainston, Little Stainton, Mordon, Newton Aycliffe, Nunstainston, Preston Le Skerne, Rushyford, Sedgefield, Trimdon, Windlestone and Woodham. The campaign group against the E.ON wind farm can be found on the web at www.theislescommunities.com.

It is now time to look at a planning system and an energy policy that fight climate change by taking people with them, rather than taking them for granted or making them feel helpless. We need a strategic view that ensures that all parts of the country share the burden as well as the benefit of renewable energy. My constituents are united in opposition to the massive imposition of the E.ON wind farm for the Isles. Durham County is known as the land of the prince bishops. I will not stand by to watch County Durham become the land of the wind turbine.

4.19 pm

The Minister of State, Department of Energy and Climate Change (Charles Hendry): Thank you very much, Dr McCrea, for calling me to respond to the debate. I thank the hon. Member for Sedgefield (Phil Wilson) for securing the debate and introducing it in a very thoughtful and considered way. I understand that the subject is very emotional and emotive, and I am grateful to him for the points that he made. We have heard many of the points that he and his hon. Friends made before, but that does not reduce in any way the strength of the argument behind them. I hope to address as many as I can in the time available to me.

I hope that the hon. Gentleman understands that I cannot comment on particular applications, because their nature is such that they may well come to a Minister for final determination and I cannot say anything to prejudge that. However, it is important to say on the record that the E.ON process is currently a consultation. I think that he would wish his speech today to be considered as part of that process, and that the company will be keen to know the views of the local community and local business people on what they consider to be the right way forward on the application.

All applications for major energy infrastructure are dealt with on a case-by-case basis, taking into account the views of local people. To the hon. Member for North Durham (Mr Jones), I say that it is entirely proper that the views of the airport and the Ministry of Defence should also be taken into account in that process. That will continue to be the case under the

national policy statements as they become part of planning policy. In addition, the decision maker has a duty to make a decision only after full consideration of the balance of the proposed development's benefits and negative impacts; that includes consideration of the environmental impacts, which he and others might feel should be taken into account.

I think that the hon. Member for Sedgefield and I agree on the two most critical points: that renewable energy is necessary for energy security and environmental reasons, and that local communities should be given a say in shaping the environment in which they live. Consequently, in the few minutes that I have today I will seek to explain how I see those two aims coming together and set out the steps we are taking to ensure that they do. I also want to address the democratic deficit and show that wind farms can bring real benefits to communities, as long as they are situated in the right place and they have democratic approval.

Our challenge is to build an economy that cuts our carbon emissions to tackle the threat of climate change, that makes our energy secure in a volatile world and that creates sustainable green jobs to help to bring back economic prosperity. As one of the most cost-effective and mature large-scale renewable technologies, the appropriate deployment of onshore wind will play a key role in meeting that challenge. We want Britain to be a global leader in the transition to a low-carbon economy. We are committed to producing 15% of our energy from renewable sources by 2020 and to reducing our carbon emissions by 80% by 2050. In July, we published the renewable energy road map, which sets out our approach to unlocking our renewable potential. It includes a comprehensive suite of targeted, practical actions to accelerate the development of renewable energy in this country.

Phil Wilson: Will the Minister give way?

Charles Hendry: Given that I only have 10 minutes to respond to the whole debate, I hope that the hon. Gentleman will allow me to try to respond to as many of the points made as possible.

Our analysis suggests that approximately 90% of the generation needed to meet that target can be delivered from a subset of eight technologies and that onshore wind has the potential to contribute perhaps 10% to 14% of overall generation. Currently, there is 4.2 GW of operational onshore wind capacity in the UK; in capacity terms, it is the single most deployed renewable electricity technology.

As the hon. Gentleman said, the Government support the deployment of renewable energy through the renewables obligation which, by supporting generation rather than capacity, is structured in a way to incentivise the best use of the available resources and to maximise efficiencies. If an application has a very low load—I would consider 20% to be a low load—it will receive little benefit through the renewables obligation. The higher the load factor, the greater the support that an application will receive through the renewables obligation. However, we have recognised that it is time to review that approach; the review was scheduled for next year, but we have brought it forward because we think that it is right that communities and developers have early clarity about the thinking.

I was not entirely clear about the thinking behind the points the hon. Gentleman made about Cabinet members' constituencies and how that factor plays in. Most of the applications that we have seen were made well before they were actually in the Cabinet and it was a different set of Cabinet Ministers who were responsible for the policy. Indeed, much of the policy was developed under the leadership of the previous MP for Sedgefield when he was Prime Minister. I am not quite sure where the hon. Gentleman was seeking to go in that part of his contribution.

None the less, I acknowledge the important role that the north-east is playing in the transition to a low-carbon economy. I pay specific tribute to what is being done in Durham already. All of us who know the county know that it is an incredibly beautiful county—a very special part of the country—so we understand the competitive pressures already present there. We recognise the contribution that the county is making.

As a whole, the region has 150 MW of operational onshore wind capacity, which is 3.5% of the total UK deployed resource. Those onshore wind projects have also helped to deliver real economic growth and benefit to the local community, such as the work being done by the National Renewable Energy Centre to develop the region's old manufacturing heritage, to help to pull the region out of recession and into recovery with new industries for the future.

I understand the concerns expressed today about the impacts that such a level of deployment might have. As the market brings forward applications for wind farms, we need to ensure that they are in suitable locations, taking account of viability and the concerns of local communities. Part of the renewables obligation certificate review is designed to ensure that wind turbines go where the resource is best, not anywhere in the country. The Government are keen to avoid a one-size-fits-all approach and we consider that planning applications for wind farms are best assessed on a case-by-case basis. The national policy statements and the national planning framework set out a clear and simplified framework to do that, but it is a requirement of a planning regime that cumulative impacts, for example those in locations such as Durham, are considered in the total. We would expect the local planning authority to set out important local issues in its local impact report, just as we want host communities for the installations to reap the benefits of taking the assets into their communities.

I am pleased to say that through the Localism Bill we are proposing changes aimed at addressing some of the concerns that have been raised in this debate. They include abolishing regional spatial strategies and their top-down regional energy targets to move towards a localism-driven approach, so that more control is given to local authorities, as the hon. Gentleman wants; introducing provisions for projects submitted to local planning authorities, so that developers will have to show how they have worked with communities in developing their planning applications; closing the Infrastructure Planning Commission and merging its functions with a more efficient and effective Planning Inspectorate, which means that the ultimate responsibility for making decisions on nationally significant infrastructure, such as the application that the hon. Gentleman raised today, will return to democratically elected Ministers; and ensuring that energy decisions on major infrastructure projects

[Charles Hendry]

are made by the Secretary of State for Energy and Climate Change based upon recommendations from the new expert unit within the Planning Inspectorate. All decisions will be made in accordance with our recently designated national policy statements and important local considerations.

Our aim is to support appropriate renewable energy development, which the country needs, while maintaining environmental safeguards and, through local and neighbourhood plans, giving local authorities and communities a much greater say in how development is delivered. More broadly, if it is agreed, the framework will also enable local communities to set their own growth agenda according to local needs, and to plan and manage development to deliver that agenda.

As well as ensuring that local people have a real say in what happens in areas near to them, it is right that communities hosting renewable energy projects are rewarded for the contribution they are making to the wider society. As the hon. Gentleman pointed out, there is a concentration of renewable energy resources in different parts of the country and all of us are benefiting from the actions of the communities that decide to host those facilities.

As part of achieving that, we announced that local authorities in England, on behalf of individual communities, will be able to retain the business rates generated by renewable energy deployments, not just for one year, but on a continuing basis. I am pleased that, in parallel, the wind energy industry has published agreed minimum standards for the contributions that wind farm developers will make to community development in England, as part of an ongoing commitment to close consultation with communities. Financial contributions might include, for example, building new community assets, or investment in energy efficiency measures to reduce electricity bills. That would be on top of any direct benefits for those living in the area, such as economic activity, jobs or rent paid to landowners. Of course, the most powerful reward for a community is to have a direct stake in a project and we want to encourage that.

There are real economic benefits that can be delivered by these projects. The hon. Member for Stockton North (Alex Cunningham) talked about that and we want to prioritise it much further to ensure that where major applications happen, we see more jobs coming to the UK.

In these few minutes, I hope that I have been able to show that we very much understand the points that the hon. Member for Sedgefield made in his expertly argued speech—I am very grateful to him for making those points—and, that the Government are using our review of the renewables obligation and the wider policy framework to ensure that we respond appropriately.

European Institutions

4.30 pm

Priti Patel (Witham) (Con): It is a pleasure to serve under your chairmanship, Dr McCrea. I am grateful to the Speaker for granting me the opportunity to have this debate because, as the Minister for Europe already knows, one of my biggest complaints has been that we do not have enough time in Parliament to debate the EU and its institutions.

I want to cover a wide range of matters specific to various European institutions, those of both the European Union and the Strasbourg-based Council of Europe, because I fundamentally feel that these institutions have grown in power and that, if they are left unchecked, without action by the Government, they will become more and more powerful, with potentially serious consequences for our country. I would like to stress to the Minister the importance of there being more debate on European affairs in the House of Commons, not just on the matters that I will touch on today, but on the broader issues right now within the eurozone, which is the first topic that I want to mention.

There has, of course, been continued speculation about the eurozone, and we have heard a great deal from France and Germany about proposed financial transaction taxes, which, in my view, would have disastrous consequences for the City and its position as a world leader in financial services. There is a clear determination across the eurozone to prop up the euro, irrespective, as we have seen with the Greek bail-outs, of the wider concerns about the ability of other eurozone countries to pay their way. I take the view that we have seen some politically questionable arrangements in relation to bail-outs, regardless of the overall economic consequences, and I am concerned about the exposure of the British taxpayer, which is also somewhat questionable. It is not that surprising that we are now hearing alarm bells in relation to wider talk and discussion of fiscal union: a single regime of taxation and treasury, and unified public borrowing. That is not the solution to the continual problem, and it will, if nothing else, result in the further haemorrhaging of taxpayers' money to Europe and the further surrender of powers.

What I would really like is for the Minister and the Government to clarify their position on fiscal union, as that could involve a new constitutional settlement with Brussels and could impact on British national sovereignty. British taxpayers must be protected further from any moves towards integration. If any change should come about, we should consider a referendum—we have heard a bit about that topic in the news today—because the British public must have a final say on the course of action that they ultimately look to the Government to take. I would welcome from the Minister a view on the current debate and discussions, and on the proposals that might be emerging in Europe right now. I would like to hear what position the Government might find acceptable or unacceptable, and on what it is that they are prepared to firmly stand up to Europe and question the future direction of travel. It is clear that the European institutions are very focused on closer European union. They are, in my view, using the current eurozone crisis as an opportunity to go for further integration.

Regarding EU directives and their regulatory impact on British business—on businesses in my constituency in particular—the businesses all recognise that we are dealing with the uncompetitive aspect of the EU, which has become a drag upon our economy and upon them individually. I refer specifically to the raft of gold-plated directives that keep coming out of Europe and have a disproportional effect on and an ultimate cost to British businesses, not only affecting jobs in this country but having an overall impact on economic growth. I urge the Minister and the Government to use every opportunity to renegotiate and to repatriate powers to the UK and, where possible, to axe the costly red tape and regulations that are coming out from Europe and affecting, and strangling, British business.

I also look at the advancement of the Europe 2020 strategy and the possible further threats in the form of Europe's influence on economic, employment and social policies. I again urge the Government and their Ministers to resist all attempts at further competence creep in that area. Both business and the public have become fed up and feel isolated, because of Europe controlling more and more aspects of our lives and our country. Having been denied a referendum on the Lisbon treaty under the previous Government, there is an understandable degree of cynicism and distrust towards the Government—any Government—on this matter.

My views on all matters Europe are well known. If the Government have a sense of conviction and determination to bring an era of transparency and accountability to Europe—we see that more in our domestic policies, and there is a greater case to be made to use Britain's role to urge Europe to do more of it—we can effectively find ways for the British public to bring powers back to Britain and at the same time engage the British public in the wider debate on matters such as transparency and accountability. If that does not happen, the Government will continue to face this wall of pressure, both from the public and parliamentarians, including me, to hold a referendum on the future of Europe, and on withdrawal from the EU as well. In the years ahead, the Government must pursue the virtues of less Europe and more Britain.

In addition to repatriating powers to Britain, we need an assertive approach to challenging the EU on its budget. The British Government must stand firm in this area, because culturally and institutionally the EU is wedded to an unreformed culture of high budgets. The European Council press release in July said that the EU budget for 2012 was to be trimmed in recognition of the difficult economic circumstances—somewhat an understatement—in many EU countries. What did the so-called trimming result in? It led to an approved increase in the EU budget of more than 2%. The public want the Government to stand up for hard-pressed British taxpayers. How can it be right that we are all financially squeezed here at home while we are bankrolling increased expenditure abroad and footing the bill for what I see as EU propaganda programmes—vanity projects such as EU citizenship programmes?

As part of budget negotiations, I also urge the Government to take a tough stance on defending the UK's rebate, which is worth £65 billion to British taxpayers, and in particular to stand up against continued attempts by Europe to take what is left of that rebate. The Office for Budget Responsibility has already stated that the UK's net contribution to the EU will increase to somewhere in the region of £8 billion to £9 billion per year during this Parliament alone. British taxpayers need a commitment from the Government that they will take all necessary action to block any future increases in the budget and to ensure that our rebate is safe.

Another subject that I want to touch on briefly is EU immigration. With the EU set to expand to include Croatia and other Balkan countries, we need stringent immigration controls. I look to the Minister for some assurances, primarily because we have suffered from uncontrolled levels of immigration following the expansion of the EU into eastern Europe. At a time when we need to get Britain working again, we cannot afford to lose more UK jobs to the next generation of European workers.

It is time for Britain to take robust action on the Strasbourg-based Council of Europe and its associated institutions, which include the European Court of Human Rights. From November, the UK will hold the chairmanship of the Council of Europe and in advance of that it is essential that this Parliament gets to debate the UK's priority. The opportunity for reform must be grasped, as there are plenty of areas in which the UK should focus its attention to protect British sovereignty and the sovereignty of our Parliament, specifically in relation to human rights. Currently the Committee of Ministers, the Commissioner for Human Rights and other officials pass a lot of diktats and impose burdens upon countries, and we have heard a lot about some of the burdens that they would like to impose upon us. Those diktats are used by the European Court of Human Rights to influence judgments but we do not get the debates—they are agreed but the British public do not get to have a say on them.

One issue on which that has effectively happened this year is prisoner votes. The European institutions are thoroughly unaccountable to the British public, yet they exert an outrageous degree of control over this country. While the Government are seeking further delays in introducing legislation on prisoner votes because another test case is being considered by the Court, there is a chance to send a clear message to Europe that this country will not be bullied any more into changing its laws. This Parliament has spoken on prisoner votes, and our view should remain as it was in the debate in February. By doing so, the Government could set a precedent, demonstrate a clear commitment to defending British interests from power-hungry European institutions and provide the effective check on their undemocratic and unaccountable ways for which this country is crying out.

I make a final plea. Ministers must not miss this opportunity to pursue transparency and accountability and to tell Europe to bring its powers back into the hands of the British people, where they belong.

4.40 pm

The Minister for Europe (Mr David Lidington): This is the second day in succession that I have had the pleasure of serving under your chairmanship, Dr McCrea. I congratulate my hon. Friend the Member for Witham (Priti Patel) on securing this debate. I am certainly aware of her long-standing interest in the European Union and European institutions. As she rightly said, it

[Mr David Lidington]

would be good to have more opportunities to discuss such issues, and I would welcome the prospect of many more Members taking part in those debates. It is a pity that, often, only a number of committed aficionados attend European debates. I would like the issues to be debated more generally. As she rightly said, the decisions that British Ministers negotiate at European level have a direct and, in many cases, significant impact on the lives of the people whom we represent.

I listened carefully to the points that my hon. Friend raised and I agree that the European institutions that she mentioned have many shortcomings that, coupled with the previous Government's reluctance to involve the people in important decisions about the European Union, have led to a growing sense of disconnection between the British electorate and the European institutions. I assure her that this Government are committed to addressing that disconnection and the issues underlying it.

Bob Stewart (Beckenham) (Con): In that case, can the Minister assure us that any new European Union treaties will be put to a referendum of the people, as will any new measures, particularly fiscal ones?

Mr Lidington: I am grateful to my hon. Friend for raising a subject to which I was planning to come in the next stage of my remarks. The Government are intent on working hard within Europe to deliver the kind of Europe that suits British interests and the British people, in the knowledge that we now have, for the first time, a proper guarantee that, if it is ever proposed to pass new competencies or powers from this country to Brussels, the British people will get a vote in a referendum. That guarantee is provided by the European Union Act 2011, which recently came into force. For the first time, British voters will have their rightful say over any further expansion of EU powers. I believe that that will put our participation in the EU on a sturdier and more democratic footing. If a new treaty amendment or a brand-new treaty were to be introduced that involved the transfer of further competencies or powers from this country to the European Union, that treaty or amendment would be caught by our new Act of Parliament, and a referendum would be required subsequent to primary legislation here so that the British people would have the final say over whether those powers were transferred to Brussels.

Mr Nigel Dodds (Belfast North) (DUP): That is all very well, and it is welcome as far as the future is concerned, but is not the problem that, under the Lisbon treaty and other measures, far too much power has already been ceded to Brussels? What we need is to get some of it back. Should it not be the Government's priority to use the current situation in Europe to negotiate the repatriation of powers to the British people? That is the key issue as we move forward.

Mr Lidington: As the right hon. Gentleman says, the Act is not a panacea, and I have never claimed that it would be. It does not address the repatriation of powers. That was not its purpose. Under the coalition agreement, the Government are committed to examining the existing balance of competencies and what they mean for Britain, and we continue to consider that issue. I appreciate that both he and my hon. Friend the Member for Witham would have liked the coalition agreement to commit us to returning important powers from the EU to the United Kingdom. During the 2010 general election, I stood on and campaigned for exactly the same manifesto as my hon. Friend did. I do not resile from anything to which I committed myself then, but we must abide by the political reality of the outcome of that election, which the British people delivered. The coalition agreement forms the basis for this Government's policy.

My hon. Friend argued that ongoing negotiations on EU reform could be an opportunity to deliver a new EU agenda. The current problems in the eurozone were predictable—and, indeed, predicted, not least by British Conservatives—but that does not change the fact that, although we seek to expand British trade with the world's emerging powers, 40% of it is still with the countries of the eurozone, so it is in our national interests that the eurozone countries prosper and find a way through their difficulties.

The economic logic of a monetary union, as British Conservatives have argued frequently, is greater fiscal and economic union, and we see some signs that the eurozone countries are moving in that direction. If they wish to do so, we should not stand in the way of their progress. If, at some stage in the future, moves towards greater fiscal union among the eurozone countries lead to a treaty, there will be an opportunity for the United Kingdom to ask, "What is in our national interest?" That is the approach that we took on the treaty change to establish a European stability mechanism for eurozone members. As the Prime Minister said, Britain would benefit from taking some powers back from Brussels. However, I caution my hon. Friend that although events are fast-moving and predictions risky, there is no sign of an immediate move towards such a treaty change. Treaty change is neither easy nor straightforward, and the eurozone countries know that, whatever the position in the United Kingdom, several countries, including the Netherlands, Denmark and Slovakia, have provision in their constitutional arrangements for referendums in some circumstances, so it would be a complicated matter. For that reason, I do not think that there is pressure at the moment to go down that road.

My hon. Friend raised more general points about the future of the eurozone. Although the Franco-German proposals appear to be a step in the right direction, we must consider the detail carefully. She is absolutely right that we should not let ourselves be sucked into the deeper fiscal integration on which the eurozone appears to be embarking. That is important to the Government.

On financial transaction taxes, clearly, unless such taxes applied to all financial centres globally, we would see a relocation of trading from centres where taxes apply to centres where they do not. Therefore, a financial transaction tax that applied only to European Union countries would be extraordinarily damaging for every financial centre in the EU, including the City of London. The Government are taking an active role in international discussions exploring financial sector taxation. The Chancellor of the Exchequer has made it clear on many occasions that he thinks that the idea of an EU-only financial transaction tax would be profoundly counter-productive and unwelcome.

My hon. Friend mentioned budgetary discipline and financial efficiency in Europe. Both are cornerstones of the Government's policy towards the European Union.

We want all institutions to ensure that their spending and activity produce genuine benefits for our citizens. We are taking firm action on the 2012 EU budget. Of course, the annual budgets of the European Union are ultimately determined by qualified majority voting. We do not have a right of veto. Although the current proposal for an increase of about 2% is greater than the British Government would have wished, it is still roughly equivalent to a real-terms freeze in that budget, and it is significantly less than the Commission's original proposal of 4.9%. I also note that it is almost €8 billion less than the budget ceiling for 2011, which was agreed by the previous Labour Government in 2005. We will continue to work with other like-minded countries to get the very best deal possible for the taxpayer. I shall embark on a further stage of that work when I go to Brussels next Monday for the General Affairs Council.

Bob Stewart: Is it possible that we could just say, "No, we are not giving you that money"? We know that that would break a treaty, but surely we are not alone in Europe in that respect. Would not one option for us to think about be for Britain to say no, as Margaret Thatcher did?

Mr Lidington: However tempting my hon. Friend's suggestion might be, the problem with unilateral action is that it can so easily be used to justify unilateral action by others that would be profoundly detrimental to our national interest. Aspects of the European Union—most obviously the single market, the creation of Margaret Thatcher's Conservative Government—have benefited the prosperity of and employment among British citizens. They have helped attract vast foreign direct investment to these shores. Other European countries have, at times, fumed and sworn at the fact that the single market meant that they had to dismantle protectionist barriers. However frustrating some aspects of the way in which the EU is organised may be, and however we might aspire to see changes in those structures, I caution my hon. Friend against unilateral action, because that could set a damaging precedent.

We in this Government believe that tax policy is for member states to determine at national level. The Commission has proposed certain new EU taxes. We think that those would introduce additional burdens and damage European—not just British—competitiveness. The United Kingdom will oppose any such new EU taxes.

If we look beyond the annual 2012 budget to the next, probably seven-year, financial perspective, where unanimity rather than qualified majority voting applies, we will see that the Prime Minister has stated jointly with his EU counterparts that the maximum acceptable expenditure increase is a real freeze in payments and that that should be year on year from the actual level of payments in 2013, not from the level of commitment, which is usually above the level of the money actually paid out.

I also assure my hon. Friends that the Government will certainly defend the United Kingdom rebate, which remains fully justified owing to expenditure distortions in the EU budget. We should not cease to remind the British people of the fact that the increases in our direct contributions, to which my hon. Friend the Member for Beckenham has referred, are the product of the shoddy budgetary deal negotiated by our predecessors, Mr Blair and the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), when they were in office.

Jonathan Lord (Woking) (Con): I welcome what the Minister has said about EU taxes and his approach to the budget, but what are we going to do about some of the social directives about temporary workers and so on when we desperately need to deregulate our economy to get growth? What are we going to do about that avalanche of new regulation coming from Europe?

Mr Lidington: The Minister of State, Department for Work and Pensions, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), is working hard to assemble a coalition of like-minded Ministers and is engaging with the Commission to seek to avoid the sort of damaging additional social regulation to which my hon. Friend rightly refers. We are also keeping a particularly close eye on the position of the working time directive. The Commission may come forward with new proposals in the next 12 months. Our priority will be to protect the opt-out, which is valuable to British competitiveness. If there also prove to be ways in which to mitigate or reverse the impact of the European Court of Justice judgments that defined time on call as working time we would seek to do that as well.

My hon. Friend the Member for Witham called for greater efficiency and the reduction of waste. I support her on that, as I do on her call for increased transparency over all the activity and detailed expenditure of the institutions. The more transparency we have over EU spending and the legislative process, the greater evidence we will find to support our arguments for improved efficiency and the reduction of waste. An important part of transparency is scrutiny, and I am keen to ensure that we do everything possible to make our own parliamentary scrutiny processes still more significant. It is a vital part of the democratic process and the Government are committed to ensuring that scrutiny committees can clear proposals before we agree to them at ministerial level.

My hon. Friend is right that the priority should be growth, competitiveness and jobs. That is where Europe should be focusing its energy and attention now. We are pushing for a further drive on the liberalisation of the single market, on breaking down barriers to trade, and on making European regulation less burdensome and expensive, especially for small and medium-sized enterprises, on which so many jobs throughout Europe, not just the United Kingdom, depend. We are determined to resist any gold-plating of European Union legislation.

My hon. Friend talked about the Council of Europe and prisoner voting. The Commons has given a clear view that prisoners should not have the vote. Indeed, my right hon. Friend the Prime Minister has echoed that call. The Government believe that it is right to consider the final judgment in the Italian case of Scoppola, as well as the wider legal context, before setting out the next steps on prisoner voting. I want those next steps to be as close as possible to the clearly expressed will of the House of Commons.

Mr Dodds: Will the Minister give way?

Mr Lidington: Forgive me, but I want to reply to my hon. Friend the Member for Witham. On immigration, the Government are committed to applying transitional measures on the migration of workers from new member states. The framework for this has already been agreed with Croatia for controls of up to seven years. Under the terms of Croatia's accession negotiations, member states can apply the same type and length of restrictions to Croatian workers as those that apply to Romanian and Bulgarian workers, who may obtain permission to work on the basis that they are highly skilled or have the offer of a skilled job. The precise controls that we will apply for Croatia have not yet been determined. My colleagues in the Home Office are considering that at the moment.

The Government believe in championing the British national interest within the EU. We champion the UK position on every issue. Sometimes, getting the reforms that we want to see is a hard and slow business, but we will be relentless in our commitment to get the best possible deal for the prosperity, security and well-being of our own citizens.

Question put and agreed to.

4.59 pm

Sitting adjourned.

Westminster Hall

Thursday 8 September 2011

[MR CHARLES WALKER *in the Chair*]

Flood and Water Management

Motion made, and Question proposed, That the sitting be now adjourned.—*(Richard Benyon.)*

2.30 pm

Miss Anne McIntosh (Thirsk and Malton) (Con): Welcome to the Chair, Mr Walker; it is a privilege to serve under your chairmanship. I also welcome the Minister, whom we look forward to hearing from later.

I am delighted that the Select Committee on Environment, Food and Rural Affairs has secured this debate. I thank my fellow members of the Committee for their hard work on the report and its conclusions. We had some powerful evidence, reflecting the importance of this important policy area and the human consequences when flooding occurs. I should also like to record our thanks to our expert advisers for their help in preparing the report and subsequent work, particularly our current work on the natural environment White Paper.

The Committee published its report in December 2010. We had many written memorandums of evidence and a number of evidence sessions. The fact that it is our first report of the new Parliament demonstrates the importance that we and the Committee attach to water and flooding issues. To help hon. Members, particularly the Minister for his summing up, I will focus on the points of concern that have emerged from the Government's response and on matters outstanding from both our Committee report and, indeed, legislation pending since the Flood and Water Management Act 2010 was passed.

Water and flooding are key issues raised by constituents with MPs. I am sadly all too familiar with flooding, both in my former constituency, Vale of York, and my current constituency, Thirsk, Malton and Filey. The report reflects the fact that UK weather presents us with twin challenges of flooding and drought, as well as challenges to the water industry and consumers that include affordability and the rising cost of water bills and many other bills. As consumers of water, our constituents need assurances that they will continue to receive consistent, clean, affordable supplies. As householders and businesses, they need to be confident that their properties can be protected as far as is reasonably practicable from risks of flooding.

The increasing likelihood of severe weather events such as floods and drought is also a challenge for the farming community. Many farmers and landowners are involved in managing flood risks, which comes at some cost. I will share with the Minister concerns that have been raised in the run-up to today's debate. In preparing our report, the Committee received evidence from the National Farmers Union and the Country Land and Business Association. In particular, the NFU is concerned that land should not be seen as a free resource, particularly if used as temporary storage for water in times of flood, causing loss of crops as well as other losses.

Water has been a key issue to the EFRA Committee. The previous Committee, on which I also had the privilege to serve, looked into the response to the 2007 floods and the Flood and Water Management Bill, which was enacted in 2010 and was considered to be the essential first step in putting in place a comprehensive and consistent framework for managing flooding and early work on key aspects of water management. I should perhaps declare an interest, because I sat as a shadow Minister on the Bill Committee and followed its passage extremely closely.

I will sum up the challenges that remain. Partnership funding for flood defences has come on stream for the first time this year.

Tony Cunningham (Workington) (Lab): We spend a lot of time talking about flood defences. Does the hon. Lady agree that general maintenance, dredging and all that goes with it are just as vital as the flood defences?

Miss McIntosh: I am grateful to the hon. Gentleman for that point. I know Workington and Maryport extremely well, and our hearts go out to those colleagues, particularly in Cumbria, who suffered in the floods. If he will permit me, I will mention the role that farmers, landowners and, in particular, internal drainage boards play in dredging and maintenance. In the visits that I have made over time to areas that have been badly affected by flooding in my constituency, other parts of Yorkshire, Cumbria and elsewhere, I have heard anecdotal evidence of an absence of maintenance and dredging. I was shocked to hear recently that Cod beck, which caused the flooding in Thirsk and where flood defences have still not been built—the Minister might put that on the wish list that he will take away with him today; we are still anxious to get the flood defences built in Thirsk—has not had any maintenance for the past two or three years.

I might go further than my Committee colleagues and our conclusions in the report. I would like the internal drainage board to be allowed to agree a programme of maintenance and dredging with the Environment Agency. On the recommendations, it was the wish of Sir Michael Pitt that there would be an annual maintenance and dredging programme on the Environment Agency website, which the public would be able to see. We have established, however, that the moneys given by internal drainage boards to the Environment Agency, not least in my own region, are not being used for dredging, for a number of reasons. I want that money to stay with the IDBs for a programme agreed with the Environment Agency, but for the IDBs to use their resources and their engineers to maintain main watercourses.

I am a vice-president of the Association of Drainage Authorities, which has contacted me to express its disappointment that no new internal drainage boards have been created yet. I know that the subject is close to the Minister's heart, so when he sums up, will he tell us the position on the creation of new internal drainage boards? All those bodies have a role to play, but it should not be the Public Bodies Bill that sets out the legislative provisions; they should all form part of the water Bill, which we anticipate keenly.

Mr Graham Stuart (Beverley and Holderness) (Con): I support that request and wish to reinforce the recommendation in the Committee's original report.

[Mr Graham Stuart]

On IDBs, the Government response says that the Department for Environment, Food and Rural Affairs is

"considering what changes should be made to funding arrangements".

I hope that that review will happen sooner rather than later. IDBs do a fantastic job from the ground up, with a real understanding of the topography of areas such as Holderness, which I represent. I want local people to be able to hold the money and commission effective flood protection, whether from the Environment Agency or another body. I am convinced, as is my hon. Friend, that putting it in the hands of local people rather than the agency will be more cost-effective.

Miss McIntosh: I am grateful to my hon. Friend for making that point and for his invitation, which I was able to accept, to visit some of the areas that had been affected in Beverley.

Partnership funding for flood defences, which was introduced only this year, will of course be limited to the amounts that can be raised. The level of funding is the key to the success of our report and the message that we gave, as well as the success of the 2010 Act itself. I have a direct question for the Minister on the business of funding, particularly the levy-raising powers. I and many other hon. Members represent deeply rural constituencies. A concern has been expressed that, where there is not an established local levy, there may be constraints on the amount that can be raised. The Minister must realise that there is a limit to how much any individual local authority can afford because, as we note in the report, budgets have been reduced as a result of the comprehensive spending review.

We welcome the fact that regulations on the transfer of private sewers and lateral drains have proceeded, but the Minister must respond to the concerns expressed in our report, which are reflected across the country, about how we can recover the costs, which are either non-funded or underfunded. It will be helpful if the Minister responds to the water companies' direct concern about that.

Colleagues would be disappointed if I did not mention sustainable drainage systems. We need to know the commencement date for the relevant provisions of the Flood and Water Management Act 2010. Are we really looking at a delay until 2012, and if so, do we as parliamentarians accept that? I put it to the Minister that we do not. I do not think it would be appropriate to have a phased introduction of sustainable drainage systems. The country is crying out for sustainable drainage systems to be introduced with a specific target date—I hope, by the end of this year. When will the regulations be laid and what consultation period is required? The time needed for preparation makes those provisions coming into effect this year a very tight timetable, and there is concern that they will be postponed until next year.

I want to place on the record my views on misconnections and the ending of the automatic right to connect. Sir Michael Pitt was extremely clear and categorical on that. I am not sure that we have reached an end to the automatic right to connect. I would like to make water companies statutory consultees on the same basis as the Environment Agency is. Many water companies have loose arrangements with the planning authorities, but it is important that we enshrine that in law. Water companies should be made statutory consultees on any future planning applications to limit potential misconnections as far as possible. I touched on the maintenance of watercourses in response to the hon. Member for Workington (Tony Cunningham), but I repeat that we need as many engineers as possible and that we should use the internal drainage boards where they exist.

Barry Gardiner (Brent North) (Lab): The hon. Lady is making a compelling case on many fronts. Planning and misconnections are a considerable problem around the country, and a number of misconnections have been made in my area, but would creating an obligation for water companies to be statutory consultees in relation to planning applications make a difference to the builders putting in the equipment? The rules are very clear: they should connect to the appropriate foul water or surface water sewer. The key surely is to have better monitoring afterwards through building regulations and to ensure that the plans and specifications have been followed.

Miss McIntosh: I think we need both approaches. The system is failing because of the lack of consultation with water companies. Because they are not statutory consultees, they are being asked to link up to new developments where they do not think it is appropriate. One example is a proposal to build 300 houses in Filey on an area that is prone to flooding; the water company has said that there will be great difficulty in connecting, but I do not see where the planning inspector can overrule the local authority. The Committee's key message was that more than 5 million properties in England are at risk of flooding—that is a Government and insurance industry figure—and, at the same time, the UK faces increasing economic and environmental challenges to securing clean, reliable and affordable water supplies.

The natural environment White Paper, "The Natural Choice: Securing the Value of Nature," has been well received and, as I say, the Committee is doing a substantial piece of work on it, but we are severely disappointed that the water White Paper has been delayed. Despite its importance, it has not been published within two months of the natural environment White Paper. I had the opportunity to express our concerns to the Prime Minister and to say that the Committee does not want any slippage in the introduction of the water Bill, which will be as important to the water industry as the Water Act 1989. I know it is not within the Minister's gift, but I hope that the Government business managers listening will make time available early next year for that substantial piece of legislation. I also hope that the Minister will be able to assure hon. Members today that we will receive the White Paper—no doubt, with great interest—well before the turn of the year. We want an holistic approach to flood and water management, and the natural environment White Paper and the water White Paper both have a substantial contribution to make.

The extended parliamentary Session—the first to run for 18 months—must not be used as an excuse to delay the introduction of legislation if the regulatory changes are to be made without disrupting the water price-setting process. The Minister has an opportunity to set out this afternoon the Government's timetable for finalising the provisions of the 2010 Act that have not yet been commenced.

It is an understatement to say that the White Paper is eagerly anticipated, and we look forward to receiving it without further delay. Many strands of work are involved: we expect it to look at the Cave review of competition, the Walker review of household charging, the Gray review of Ofwat and the implementation of EU directives such as the water framework directive. Time will not permit me to go into many of the concerns that have been raised about the directive, but suffice it to say that many of the water companies and, indeed, many farmers and landowners are extremely concerned about how it will take effect.

There is good news. Since our report was published, we have had the Department for Environment, Food and Rural Affairs consultation on water affordability, which followed up from the Budget statement on 23 March. That demonstrated that the Government are committed to supporting households with water affordability pressures and households in areas with particularly high water bills, such as the south-west. I am sure my hon. Friends from that area will have plenty to say on that.

We also welcome the reforms to the WaterSure scheme, the approach to social tariffs and the options for additional Government spending to provide further support. Water companies would find it incredibly helpful if the Government—obviously, not DEFRA but another Department—could, on a confidential basis, give the details of people on benefits to the water companies, so that they can earmark and target those most at risk and those who would most benefit from a social tariff. The consultation closed on 17 June, and we now expect the Government to introduce their proposals.

The natural environment White Paper will make a clear contribution to valuing water more effectively. We heard from a number of witnesses in June and we will look further at the matter in the autumn. The national ecosystem assessment that was published in June shows that there is a great body of work to build on.

I know that the Minister would be disappointed if I did not express my disappointment at the failure of the Pickering pilot scheme for flood defences to go ahead. The Woodland Trust and others are enthusiastic about more natural means of flood defence, such as the planting of trees to slow the water down. I hope that the Minister will not feel constrained and will tell us today where we are on reservoir provision. I make a plea on behalf of many constituents, and I am sure many in the House as well: time after time, the Environment Agency seems to get carried away with over-engineered, over-expensive and over-fancy flood defence projects that fall flat on their face at the first hurdle. That is why we do not have the flood defences we need in Thirsk or in Pickering. The Pickering pilot project was innovative and looked at more natural means of flood defence, but it will not now go ahead. The money, particularly from the local authority, is ring-fenced only until next year. I am sure that the Minister would think that it was tragic if we were to lose that project for ever because of delay owing to the Environment Agency not knowing that the flood storage system it had in mind constituted a reservoir.

I again express the Committee's support for sustainable drainage systems. Local authorities have expressed concern that they be properly resourced, and the Minister has the opportunity today to set their mind at ease. They have to be given the financial resources they need. I have mentioned water companies being statutory consultees.

Mr Graham Stuart: I wonder whether the Committee looked at bringing in national flood protection standards. As soon as flooding moves out of the public eye, and in the face of financial difficulties, funding tends to be cut, with a long-term deleterious impact. Holland has statutory national flood standards, which trigger investment and ensure that standards are maintained. Do we not need some fundamental reworking of protections in law to force Governments and funding bodies to ensure that we have a sustainable system? I fear that if we go for a period without severe floods, we will create the conditions for worse floods in the future.

Miss McIntosh: My hon. Friend pre-empts my next point. Why has there been a delay in the consultation on and implementation of national standards for SUDS? Many have expressed to me their real concern about that. When will the provisions on SUDS be implemented?

Tony Cunningham: If the work is not done, large numbers of people and properties will either have huge excessive insurance to pay or will not be able to get insurance. The worry of not having one's own house insured is a terrible burden on people. That must be noted.

Miss McIntosh: I will take that opportunity to bring forward my comments on floods insurance. There is an urgent need for the Government to agree with the insurance industry that when the statement of principles expires in 2013, there will be an insurance regime in place. Flood protection and resilience measures taken by householders and businesses should be reflected in a lower premium. The Government and the insurance industry both have a role to play in reducing premiums where that work has been done.

A number of challenges remain. Central to the White Paper is taking forward the three reviews that I referred to earlier: to ensure regulatory stability; to keep down the cost of capital while ensuring maximum efficiencies in the industry; to introduce changes to charging and embed the wider value of water prices in a way that is acceptable to consumers; and to meet a raft of environment challenges, including EU requirements. Of all the directives—on water framework, on urban waste water and on river basin management requirements—it is the water framework directive that is causing most concern. In the Committee's view, there is strong evidence that it does not offer an effective means of delivering environmental outcomes within such tight resource—that is, funding—constraints. As ever, we need to work with our European partners to find agreement on how to improve the framework directive regime.

The Minister needs to respond to conclusions 45 and 46 and recognise the role of farming and agriculture in flood defences. There was a clause permitting arrangements for financial support for flood protection measures, and the Minister himself has acknowledged that proper compensation is owed to landowners. How will the role played by farmers be recognised? We are concerned about the transitional arrangements for the phasing out of regional development agencies. What are the arrangements for future payments under the rural development programme for England for those types of protection measures? There is concern about who to

[Miss McIntosh]

apply to. The RDA teams are still in place, but do farmers apply to DEFRA or to a regionally located unit? We need clarification.

These are challenging times for all those involved in flood and water management. We welcome the Government's taking an holistic view and their attempts to link the strands together, but we have expressed concern about resources, reservoir safety regimes and the need for their reform, SUDS and flood insurance. I welcome the opportunity afforded by today's debate and look forward to hearing what other hon. Members have to say and the Minister's conclusions. What is most important, however, is the cross-party support and recognition of how significant floods are to local constituencies, and how much work we still need to do to prevent future floods from happening.

2.56 pm

Nia Griffith (Llanelli) (Lab): It is a pleasure to serve under your chairmanship, Mr Walker, and a great pleasure to follow the hon. Lady, who used to be the hon. Member for the Vale of York and is now the hon. Member for Thirsk and Malton (Miss McIntosh). In 2010, we spent many hours together in Committee scrutinising the Flood and Water Management Bill.

For those of us from Wales, the situation is complex, particularly in the context of devolution. Many hon. Members will remember that there were various sections in the Flood and Water Management Act 2010 that would be introduced when the then Welsh Assembly Government had had the chance to make the necessary measures in the process of what were then known as legislative competence orders. Since then, Wales has had a referendum and the Welsh Assembly Government have enhanced powers.

I am pleased to say that one of the first measures under those new powers has been the enactment of the adoption of private sewers, which was announced by the Welsh Government Minister John Griffiths and will come into effect on 1 October. We all know how important that is for many householders who, in the past, have often found themselves facing totally unexpected bills because they were unaware that they were on private systems. The adoption of their sewers will be a tremendous bonus for them. Residents in areas such as Cleviston Park in Llangennech, Dolau Fan in Burry Port and Derlin Park in Tycroes will join with many others across the country in being very pleased that they will be brought into the system of adopted sewers and will not have to face bills that people just two streets away do not have to face.

The issue is particularly complex, because the boundaries of the Dwr Cymru Welsh Water area and the Severn Trent area are not coterminous with the border between England and Wales. That presents us with another issue, as there is clearly a need for careful and close working between the Welsh and the UK Governments. Coupled with that, obvious geographical features, such as the Severn estuary, will necessitate continued close working.

On water charges, we are all familiar with the fact that south-west England is in the most difficult position and has the highest charges, but people are not necessarily aware that Wales comes second in all the comparison tables—Welsh Water is the second highest charger. The reasons are complex, are historical and geographical in nature, and go back a long way. Basically, Wales faces problems similar to those in south-west England: it has long coastlines with beautiful beaches, which people from all parts of the UK come to enjoy, and yet there are areas with a relatively sparse population, so it is difficult to make the challenge of meeting environmental standards for those beaches match up with the income that can be generated from the local residents.

I welcome the fact that the Committee has gone into detail in the report on ways forward, but there are no easy options. As the Minister said to the Committee, we cannot end up with a situation in which someone on a very low income in one part of the country subsidises a millionaire in the south-west, and nor is it a straightforward matter of seeing the solution as one for single area or one stretching across several areas. I urge the Government, however, to give the problem of water poverty urgent attention and to take into account the fact that the high prices in Wales are an historical feature and that some discussion is needed about a mechanism that might help consumers in Wales who find themselves in difficulties. For example, some type of national structure, falling under the remit of UK taxation or the responsibilities of the Department for Work and Pensions, would work for a clear-cut case. If it is not so clear-cut, we still need to give the issue special consideration and to think what we can do. The Select Committee on Environment, Food and Rural Affairs in 2009 reported that DEFRA should

"examine how changes might be made to the way water industry investment is paid for when it is directly and expressly for the purpose of improving environmental standards for national benefit."

My constituency is on the northern side of the Burry inlet—the southern side will be more familiar to many people as the Gower peninsula, an area of outstanding natural beauty. Our difficulties in the inlet have resulted in infraction procedures on EU water directives on waste waters, shellfish waters and habitats. The fact that the UK is not in compliance with EU directives is clearly of national significance.

In areas where we have a national responsibility and where we must protect our heritage, we must provide investment to maintain the standards that everyone wants to enjoy on cleaner beaches, with better water quality in our inlets, particularly where we have a precious shellfish industry, as we do in the Burry inlet. We need to ask at what point something should be dealt with on a national scale, rather than on a local water company-area scale. I make an urgent plea for the White Paper to provide a clear indication of how the Government will manage the challenge of providing enough income for the necessary investment in infrastructure at the same time as ensuring that families who find it difficult to pay their water bills do not face even greater bills. The Government must find a way of balancing that extremely difficult sum and, in doing so, take Wales into consideration and work closely with the Welsh Government.

Mr Graham Stuart: In posing that conundrum, does the hon. Lady have any sympathy with the idea of solving it by transferring responsibility for flood protection to water companies? After all, they specialise in raising large sums of money from the markets for long-term

infrastructure investment to deliver a guaranteed service level, regulated by a regulator, at the lowest possible cost. Could that be a solution—a way of getting all water-bill payers to contribute to a standard of flood protection that would then be guaranteed and could be regulated to ensure that everyone was given protection in the long term and, hopefully, at the lowest cost?

Nia Griffith: That suggestion would probably exacerbate some of the difficulties. The historical reasons for the current situation would have to be taken into consideration. Are we suggesting, for example, that flooding in certain areas would be the responsibility of particular water companies, although there is inequality in places where the flooding happens and in the amount of investment that has already been put into flood management systems? I am not sure that the suggestion would work well.

The other difficulty, which I was going to mention, is the whole issue of planning. If water companies are to take responsibility, they must first be given some power. The inclusion of their opinion as statutory consultees is crucial to future planning and development, because they know where overload is and where problems are likely to occur. Sadly, we have seen developments on which the companies have not been consulted, and things have gone wrong. However, the problem with the water companies taking complete responsibility at this point is that they are not responsible for what has happened historically, as there has been an enormous amount of development in many areas that are quite unsuited to it. There could be considerable difficulty with the model proposed by the hon. Gentleman.

Mr Graham Stuart: I am trying to understand the objection, which I do not quite get. We recognise that we have haphazard standards at the moment and have had haphazard historic investment bearing no relation to need or risk, and that we want a decent standard for everyone. We need to find a mechanism for delivering that, sharing cost on the most equitable basis that we can, delivering it as quickly as we can while we have a Government who have no money. I do not see that the hon. Lady's objection is an objection to the proposal. If we could bring it in, if it was politically acceptable, everyone would be brought up to a decent level in a way that spread the burden across bill payers. Is that not desirable?

Nia Griffith: The idea would merit further examination, but we need to look at the quite considerable sums that the Department for Environment, Food and Rural Affairs has put into some flood management schemes in the past few years, and ask ourselves whether, if they were to fall on one particular water company, they would work. We would need to look at that in more detail. At present, I do not have the necessary expertise to go into it, so I shall leave it to the hon. Gentleman to prove his case and produce the statistics to show what he wants to suggest.

Moving on, insurance is immensely important, for everyone in Wales as well as in England. For people who have been affected, who face difficulties and who have suffered repeated occurrences of flooding, we need to ensure that appropriate discussions are held with insurance companies, who should do everything that they can. I urge the Minister, when he introduces the White Paper, to go into that issue in considerable detail. I would be pleased to hear whether he has had any recent discussions on insurance with the insurance companies for people who live in areas that have been repeatedly flooded.

I have mentioned planning. Not only is it imperative that water companies should have a say in planning, because of the types of connections that can sometimes be made and because of their understanding and knowledge of flooding patterns, but it is imperative that local authorities should have due regard for the flood maps produced by the Environment Agency. I am afraid that far too often local authorities such as my own, Carmarthenshire county council, grant planning permission for areas that are in C2 floodplains, when plenty of other land is available. Carmarthenshire is a large rural county, with some small towns and one large industrial town, my town of Llanelli. There is no excuse in that sort of area, even with a large coastline, for going ahead and building where there will clearly be difficulties for the newly moved-in residents.

Nor is there any excuse for building on slopes, which immediately increases the pressure on people living immediately below them. The increased water flow into the sewerage system creates an additional flood risk for those living a bit further down the slope. When making planning decisions, every local authority has a clear responsibility to avoid increasing flood risk. In 200 or 300 years' time, people will wonder how on earth we could have been so mad as to build in such places when we already had the maps and the knowledge and had found the infrastructure wanting. It is therefore important that local authorities behave responsibly.

On that note, I look forward to hearing from the Minister how far his thinking has got, when we will see a White Paper and what thoughts he has on charging, insurance, flood prevention and flood defences.

3.11 pm

Neil Carmichael (Stroud) (Con): Thank you, Mr Walker, for inviting me to speak in this timely and important debate. It is important because my constituents are dealing with the issues created by the Severn estuary and because of the work that the Select Committee has accomplished, which we are considering.

I want to look at the situation in my constituency from two directions: the Severn estuary and the Slad valley. The Severn estuary is the most important, because it has raised a number of key issues, which my constituents are concerned about. The first is the solutions being imposed from afar when localism and more community involvement would be much preferred. In that respect, we are talking about a long-running process, which has been under way ever since local people around the Severn estuary in my constituency first discussed a strategy after the Environment Agency produced its proposals. The second issue is the use of farmland adjacent to the estuary. The concerns are therefore largely about land use and the lack of consultation, and I will touch on both.

We have had an interesting discussion about insurance, and I will touch on that before I go on to the meat of my remarks, because that issue, too, has been raised by constituents. The flooding map would suggest that the whole village of Frampton On Severn is vulnerable to

[Neil Carmichael]

flooding, which it is not, and large parts have not been flooded for long periods or, indeed, ever. Why should the map be so misleading? It is largely because the map shows what would happen if there were no flood defences. However, there are flood defences, and that needs to be made clear. Insurance firms and the insurance industry in general need to be aware of the fact that flood maps show what the situation would be without defences. However, there are defences, which operate perfectly well in Frampton, so the village has no worries about being flooded. It would be a great step towards allaying residents' fears if we could give more meaning to these maps and bring insurers' attention to the reality of the situation.

To return to the Severn estuary, it is obvious that there are flood risks, because flood defences are already in place; some are in need of repair, some need adjustment and some need to be completely reshaped. There is no dispute that flooding is a risk. What we are disputing is how the strategy will unfold over the next 10 to 50 years. Essentially, three sequential tests will be applied to the strategy, and they all raise key issues, which we should consider.

The first test is economic and is all about the value of the territory being defended—whether it is farmland or land for housing and development. There are concerns about planning, but we are talking about the situation that exists now. Some areas of land along the Severn estuary in my constituency have an agricultural value but no developed value. That needs to be carefully considered, because it is necessary to ensure that public money is spent wisely. Huge sums would not necessarily be invested in defending just agricultural land.

That raises the issue of production. No planning system considers what would happen to land or to a factory if it were flooded or not flooded, but a lot of people in my constituency are rightly concerned about quality farming land being removed from production. That needs to be carefully considered by all concerned.

If the economic test is failed, there is the "make do and mend" approach, which my hon. Friend the Member for Thirsk and Malton (Miss McIntosh) referred to indirectly, if not directly, when she noted that some farmers protect their own land. The existence of that option needs to be set out more explicitly as one of the range of options that are available.

The second test is the legal test and has something to do with habitat. At the end of the day, we have a commitment to ensure that new habitats exist after flooding. Where areas that are flooded hosted wildlife and so forth, we have to retrench and find new habitats. That raises two critical questions: what kind of territory are we really thinking about and how far do we consider the entire basket of options? That raises the question of where the habitat should be and how much should be provided.

Barry Gardiner: Does the hon. Gentleman agree that the biodiversity offsetting provisions in the White Paper that the Government released earlier this year go a long way towards addressing this question? They propose a very commercial way of proceeding, but they can bring real biodiversity benefits by looking at an offset bank and ensuring that appropriate provision is made elsewhere. I thought that was one of the great features of the White Paper.

Neil Carmichael: The hon. Gentleman is absolutely right that it is an important feature, but the question remains who will provide the habitat on what is, effectively, a peninsula. The Environment Agency has made it clear that that will be decided through agreement and consultation, but we still have to answer the question of where we should allow or encourage the conversion of farm land into habitat areas. That is still the issue. There is still a legal test. In that context, the question for the Minister is how much land he wants and how much DEFRA will agree to. That has implications in terms of the European Union's attitudes and regulations. The legal test is therefore important, and it must be framed in a way that everybody understands.

The third test is the community test, which I have mentioned. It is critical because local people must feel part of the process; they must feel engaged and that their expertise and local knowledge are applied appropriately. That is where we have run into trouble to some extent in the processes that I have already described, relating to the Severn estuary. The Environment Agency has rightly recognised the concern and alarm and has, as it puts it, taken time out. Everyone will consider where we are, and the options that are on the table. Of course the time out will end at some point, and there will be some options and choices.

To make sure that the community test is given a fair chance to work, I am pleased that the Environment Agency has decided to appoint an engagement officer, with the specific task of ensuring that our communities—our farmers and the local people—will be properly consulted when the time out period comes to an end and options and choices are agreed. Of course, DEFRA has a key responsibility because, in the end, when it agrees a strategy the moneys will be released, so the question is a political one, as much as it is a function of the Environment Agency.

In concluding the part of my remarks that focuses on the Severn estuary, I want to emphasise the importance of the economic test in relation to respecting the value of land and acknowledging the issue of agricultural production. As to the legal test, I want it to be clearly understood that we must be sensitive and sensible about identifying suitable areas for habitat and making sure we consider a sufficiently wide area, so that any landowners who want to move in that direction can do so without threatening those who do not. That is a critical issue.

I want to touch on some other points, one of which is localism and the question of local knowledge and aspirations. There is a long valley in my constituency, called the Slad valley. It is famous as it is where the Woolpack is—the famous haunt of Laurie Lee. It is a great pub, and I invite all hon. Members to go there.

At the top end of the valley there is the beginning of the mills, water storage systems and so forth, and at the bottom is Stroud, which gets flooded. Of course there are ways to protect houses, and many have opted for protection, although not all, and certainly not enough. Our community, and people in the Slad valley, are keen for the problem to be solved further up the valley. My hon. Friend the Member for Thirsk and Malton has alluded to the same points, because I know that such

things are being carefully considered in parts of Yorkshire. That emerged in the all-party group on flood prevention some months ago. I want to underline the importance of properly consulting organisations, to enable their ideas to be incorporated. I am also delighted, therefore, that the Environment Agency is willing to meet all the various partners and actors.

A point that needs some amplification is the role of internal drainage boards, which are important and do a huge amount of work. It is interesting that the one that covers most of my territory also covers a huge industrial area in the Avonmouth sector. Of course the work that it does there effectively finances the work it does on the agricultural side. We must be mindful of the cross-fertilisation approach that is used in all sorts of public protection measures. The internal drainage boards are a good example. First I put in a plea for recognition of the value that they bring to such management issues; and secondly I urge the boards, wherever they exist, to co-operate whenever they can with the other organisations.

I thank the Minister for agreeing to meet a contingent of my constituents to discuss the situation in the Severn estuary. They were going to come here today, but they are still more excited to have a direct meeting. I have had many meetings, with a huge number of people representing many different interests, but the key point that they want to get across is that they want to be consulted. They want their local expertise to be recognised, their local knowledge to be understood, and their homes and farms to be properly considered in the context of the three tests, which should be properly respected and understood.

3.25 pm

Barry Gardiner (Brent North) (Lab): I am delighted to speak in the debate, and congratulate the hon. Member for Thirsk and Malton (Miss McIntosh) on initiating it. She chairs the Select Committee with great aplomb, and I know that the matter is exceptionally dear to her heart. I was surprised only that she curtailed her remarks as she did. I expected at least an hour from her.

I look forward most of all in the debate to hearing from the Minister about the progress that has been made since the Government responded to the Committee earlier in the year. The Committee's report was published last year following a series of welcome and ambitious commitments from the Government: safeguarding clean, reliable and affordable water supplies; protecting households and property from the risk of flooding; and reforming the water industry and making it more resilient, efficient, sustainable, innovative and affordable. The report provided the Government with a comprehensive and holistic approach to delivering on those commitments. Of course we should, in this debate, be assessing the progress that has been made. Instead, I am afraid we must reflect on a number of broken promises and missed opportunities.

A water White Paper was promised for June. In April the Minister revised that commitment and promised that it would be published in the autumn. Unfortunately, the latest business plan of the Department for Environment, Food and Rural Affairs now promises publication in December, nine months after the Committee's report, and we are still no clearer on how the Government plans will encourage the retrofitting of sustainable drainage systems, how they will ensure that customers' views will be taken into account during the price review process, and how investment in the water industry will be better managed to avoid the boom and bust cycle that so badly harms the supply chain. There is also uncertainty about the future of metering and water efficiency in households, social tariffs to reduce the impact of rising bills on low-income customers and the future of competition in the water industry. Publication in December would leave only four months for the Government to meet their commitment to introduce any new legislation required as a result of the White Paper by next April. I hope that the Government's ambition will not be scaled back in the fight against a tight time scale.

Since our report, the Government have also severely cut capital funding for flood defences. When we consider that we need to increase investment simply to maintain the current level of protection, that is cause for considerable concern. As the Committee pointed out:

> "To cut back significantly on flood defence infrastructure spending could be a classic example of short-term savings leading to much greater long-term costs."

The Government have also failed to provide any assurance on the provision of flood insurance beyond 2013. The natural environment White Paper, which was excellent in many ways—we adverted to some of it earlier in the debate—also missed a valuable opportunity to set out how, for example, agriculture and land management could play a stronger role in reducing flood risk and improving water quality. I hope that the Minister will take the opportunity to update us on each of those issues, so that we may leave this afternoon's debate with a much clearer idea of Government policy on the future of flood and water management. I shall try to deal with each of those issues.

I also want to discuss some of the priorities for the forthcoming White Paper. Ever since privatisation, capital expenditure in the water industry has been concentrated towards the middle of the five-year funding cycle. That has led to financial and managerial inefficiencies in addition to instability in the supply chain, ultimately resulting in higher costs for consumers. It also leads to the migration of skilled resources out of the sector to more stable industries. That has created a severe and worsening skills shortage in the water industry.

The White Paper must help to bring to an end the effect of that five-year asset management planning cycle. It should also explore the link between the price review and innovation. In the current investment period, companies are looking for tried and tested technologies with payback within three years. Some water companies have disbanded their research and development departments as they are not currently funded by the price review. R and D is now conducted on an ad hoc basis rather than in a co-ordinated way.

The water sector faces a period of huge challenge in coping with the implications of climate change, and in reducing its own carbon emissions. It can ill afford to be locked into a short-term investment cycle that stifles and inhibits innovation. The White Paper must set out how the Government will restructure the water industry properly to incentivise and encourage companies to invest in innovation, particularly in treatment processing, energy efficiency, leakage prevention, and water efficiency.

Competition can help to stimulate that innovation. Competition in the water industry is not an end in itself, but it is a means of improving services for customers, particularly the most vulnerable, and improving environmental outcomes.

[Barry Gardiner]

In the White Paper, the Government gave a commitment to respond to the Cave review, and I would welcome an update from the Minister on how the White Paper will ensure that greater competition will meet those challenges. It would be helpful if the Minister clarified whether the Government's one-in, one-out rule, which prevents a regulation from being introduced unless another is scrapped, will apply to any legislation proposed in the White Paper. If so, perhaps he will share the Department's thinking on which regulations might be scrapped in the event of any legislation coming forward in April 2012.

We talked much about sustainable drainage systems in another area on which the Government gave a commitment in the White Paper. When sustainable drainage systems are successfully implemented, they can make a significant contribution to reducing the risk of flooding by increasing the capacity of land to absorb water. They can also reduce the risk of water contamination, and increase the sustainability of water use. The provision of SUDS for new developments and, where possible, for existing developments is widely supported throughout the House. However, evidence to the inquiry revealed widespread concern among local authorities about their ability to fund the adoption and maintenance of SUDS. The Government's response to the Committee stated that DEFRA would fund local authorities for the costs of maintaining adopted SUDS and SUDS maintenance in the "short term." Will the Minister say how long he expects that "short term" to be? That is important for local authorities.

In November, the Prime Minister said that flood defence spending would be protected, and would be "roughly the same" as under Labour. In fact, capital funding for flood defences to protect homes has fallen from a baseline figure last year of £354 million to £259 million. We now know the meaning of the phrase, "roughly the same". It means give or take 30% according to my mathematics. In fact, it is a 27% cash cut to the budget, and a 32% real-terms cut when inflation is taken into account.

Mr Graham Stuart: After the floods in 2000, the then Prime Minister, Tony Blair, had people from Norfolk and other areas to No. 10 Downing street and made expansive commitments on flood protection. However, the pressures of political life being what they are, flooding moved out of the spotlight and those promises disappeared along with the floodwater. It is an historic happening for Governments slowly to cut long-term infrastructure investment when it is not in the spotlight. Does the hon. Gentleman have any thoughts on how to create a long-term sustainable structure which, regardless of the political cycle, ensures that our constituents are properly protected from flooding?

Barry Gardiner: The hon. Gentleman points out that at various periods during the previous Labour Administration the flood budget was raided, but he must acknowledge that overall there was both a real-terms and a cash increase in that budget. He is absolutely right that from time to time that budget was raided and cut as necessary in the political cycle, but overall it was increased. The Minister knows that I have the greatest respect for him and the work that he is trying to do in this area, and I know that he understands the importance of the matter. The hon. Member for Beverley and Holderness (Mr Stuart) talked about small cuts, but this is not a small cut. It is a 27% cash, or a 32% real-terms cut in this period. That is a huge amount.

Mr Graham Stuart: The hon. Gentleman is being generous in giving way. I was not trying to suggest that he is not being proper in challenging the Government. My point is that historically Governments tend to raid the flood budget when under the pressure that they inevitably suffer. The last Government was much better at spending money than the present one, but it turned out that so much of that money could not be sustained, and we could not afford it. He should not boast about that too much. What we should focus on is how to create a long-term situation so that whoever is in government and whatever the state of public finances our constituents will have a guarantee that that political cycle will not get in the way of sensible, stable support for flood defence in their homes.

Barry Gardiner: I absolutely agree with the hon. Gentleman. We have talked about introducing minimum standards, and we must move towards consensus, because that is in everyone's interest.

The Government have given a commitment to deliver 15% efficiency savings in Environment Agency flood defence budgets, but that leaves an overall reduction in those budgets of 17%. I would be grateful if the Minister provided us with an update of his assessment of the impact of that reduced funding settlement in relation to the Government's flood programme, and the flood defence work that the Environment Agency has programmed for the next three years. Will he also provide an indication of how the 15% of efficiency savings in the Environment Agency has impacted on that work?

Despite those funding reductions, the Committee noted the Government's commitment fully to fund local authorities in their new roles under the Flood and Water Management Act 2010, and that they would provide direct grants of up to £36 million a year to lead local flood authorities. That is welcome. Each lead local flood authority would receive at least £110,000 a year, with the authorities tackling the highest levels of local risk receiving up to £750,000 a year. However, the communities and local government special grants settlement for 2011-12 highlights that the most that any lead local flood authority received this year was not £750,000, but £260,000—that was in Kent. Of the 152 lead local flood authorities, 144 received less than £200,000. To allow for local flexibility, those grants are not ring-fenced. On average, central Government funding to councils will fall by 26% over the next four years. I understand the constraint under which the Government are operating.

Mr Graham Stuart: The hon. Gentleman's party created them.

Barry Gardiner: Indeed, I take on board the party political knockabout that we can have. Local authorities have been put in an extremely difficult position. By not ring-fencing the funds, the Government cannot be sure that they will go into flood defences. It is therefore important to find out from the Minister how the Government plan to review local authority spend on

flood management, and how they propose to hold local authorities to account for the money they have been given to spend in that area.

I acknowledge that that is not just a matter for central and local government. The Committee concluded that it was right for beneficiaries such as developers to help fund new flood defence schemes. In light of that, will the Minister confirm how funding through the new flood and coastal resilience partnership funding arrangement will be focused on those communities at greatest risk? How will the Government identify those communities and ensure that their protection is achieved in practice? As discussed earlier, the Government's draft national planning policy framework should also be amended to address how planning should apportion the costs of providing flood defences for new developments between public agencies and private beneficiaries.

The Labour Government's statement of principles guaranteed universal flood insurance coverage for homes in affected areas. That guarantee runs out in 2013, and was based on the understanding, following the Pitt review, that Government should have

"above inflation settlements for future spending rounds.".

We know that that will no longer be the case.

The Government's response to the Committee's report committed to updating the Committee on progress with implementing

"a roadmap to take us beyond 2013."

I would be grateful if the Minister took this opportunity to update hon. Members on precisely what the roadmap beyond 2013 might look like.

Water saving through greater efficiency will become increasingly important, especially in parts of the country where climate change and population growth will lead to significant constraints in supply. The Building Regulations 2010 introduced a new minimum water efficiency standard for new homes. The potential consumption of potable water by persons occupying a dwelling should not exceed 125 litres per person per day. Will the Minister confirm whether the Government have plans to increase the minimum water efficiency standard in future revisions of the Building Regulations 2010?

As the Committee noted, metering plays a key role in helping to reduce water demand. More widespread introduction of metering will mean that there are winners and losers and some, including groups of vulnerable customers, could see significant rises in their water bills. Social tariffs can help to ameliorate the impact of rising bills on low-income customers. The Government's response to the Committee stated that they were preparing

"guidance on company social tariffs under Section 44 of the Flood and Water Management Act 2010."

Will the Minister confirm when that will be published as it is of great interest and importance to many poorer constituencies? The regulatory framework under which water prices are set must also be reformed to include stronger water efficiency targets for water supply companies. The water White Paper should be clear on how that will be taken forward.

In giving evidence to the Committee, the Environment Agency estimated that costs associated with implementing the water framework directive up to 2027 could be between £30 billion and £100 billion, depending on the approach taken. Despite that level of investment, the UK was likely to see only 26% of rivers achieving "Good Ecological Status" by the water framework directive target date of 2015. The Government's response to the Committee highlighted that it was possible, within the terms of the directive, to set lower standards of compliance. Will the Minister confirm whether the Government have plans to make use of that option? If so, it would be extremely deleterious. Do the Government have any plans to implement the "polluter pays" principle more accurately, so that customers do not have to foot the bill for cleaning up pollution for which they are not responsible? Domestic water customers currently pay some 82% of the costs of implementing measures to meet WFD requirements.

Together with other members of the Environment, Food and Rural Affairs Committee, I welcome the focus placed by the Government on flood and water management. They seem, however, to have lost their way over the nine months since the report was published. An ambitious water White Paper and the commencement of provisions in the Flood and Water Management Act that have not yet been effected, must be a priority. I look forward to hearing from the Minister about how the Government plan to move the issue forward.

Mr Charles Walker (in the Chair): Order. We have one hour and 10 minutes for speeches, and seven colleagues who wish to speak. That is about 10 minutes each.

3.45 pm

Mr Graham Stuart (Beverley and Holderness) (Con): It is a pleasure to participate in this debate and to follow speeches that are as excellent and thoughtful as those we have heard so far across the Chamber. I pay tribute in particular to my hon. Friend the Member for Thirsk and Malton (Miss McIntosh) and her Committee for the excellent report that has been produced.

On 25 June 2007, this country suffered some of the worst flooding in modern history, and my constituents in Beverley and Holderness were some of the worst affected. All four towns in my constituency, Beverley, Hedon, Withernsea and Hornsea were affected, and at one stage Hornsea was cut off by the floods. Almost every hamlet and village was affected; thousands of my constituents had their homes flooded and were forced out. Although Hull attracted press attention as it too was devastated, the East Riding of Yorkshire was equally appallingly hit.

Although we are discussing the technicalities of the floods, the human cost must never be forgotten. Let us consider from a historical point of view how we, the country and the media would view a catastrophe that saw thousands of people removed from their homes, for months if they were lucky, and years if they were not, and how seriously we would regard such an event if it were caused by something other than floods. In a way, the country and the media failed to recognise just how devastating were the floods in east Yorkshire in 2007 and elsewhere.

The memory of people living with their marriages on the edge as they sat in a tiny caravan—I shall not name the place as that may identify the people involved, but I saw people who were absolutely haunted for months afterwards, with their lives wrecked by the flooding as they sat in a tiny caravan and stepped out into mud.

[Mr Graham Stuart]

They were involved in permanent disputes over their house with changing underwriters and people from the insurance companies. Notwithstanding the fact that insurance companies in general did a good job, that human picture stays in my mind and makes it important that we get things right.

That is why I am keen to try to find a way of providing long-term solutions. The nature of politics, not least the pressures faced by the coalition Government, given the financial catastrophe that they inherited, mean that funding for long-term issues such as flooding tends to get reduced. It gets reduced even in good times. When the previous Government were spending like there was no tomorrow, after there had been no flood events for a few years, the spending got cut. In a tougher time, we can expect that pressure to be even greater. How do we create a situation with the guarantee of stable, solid and sensible investment to protect people? That is my central question. I have tried to think about the issue, bearing in mind the many people whom I met in my constituency in 2007. The answer I came up with is that what we have now is not suitable. It is not simply about getting new documents, unless that involves legislation and setting down a definitive standard that can be enforced in court. Unless we have something like that, we will see the same cycle again—the money will not be put in place, and when a one-in-50, one-in-75 or one-in-150-year event comes to an area, people will suffer in the same way they did in the area I represent.

As the Environment, Food and Rural Affairs Committee makes clear, when all costs are considered, it makes no sense from an economic point of view not to make such an investment. However, because of the silos of departmental budgets and the pressures in the political cycle, that money is not invested and we pay a higher price as a result. We therefore owe it to our constituents, not just from the human point of view, but from a basic, sensible economic management point of view, to create a structure that does not allow the money to be pulled away as soon as the spotlight moves on. I hope that my hon. Friend the Minister may be able to discuss that today.

I have not done detailed work on what the implications would be of a transfer to water companies. It just seems to me that water companies such as Yorkshire Water, which has plant, people and responsibilities all over my constituency and all over Yorkshire, are capable of raising money from the markets for long-term investment in order to deliver a standard that a regulator ensures is met and to do that in a way that does not impinge on public finances. They are in a better position to deliver that certainty for the lowest possible cost than other models that immediately present themselves. I urge the Minister to think about that, because notwithstanding the good work that went on under the previous Government, albeit that it was a little slow, and the good work that is going on under the present Government which, funnily enough, also seems to be rather slow, I am not convinced that my constituents will not be affected badly again in future.

On the positive front, I would like to praise the Environment Agency. Craig McGarvey, whom I have dealt with a great deal in my local area, has been open. I certainly expressed a lot of criticism of the Environment Agency and the way in which it behaved, the way in which it treated people and the way in which it talked to them, as well as what it did from a practical point of view. However, people from the agency have worked hard to listen to people, to come out and be available. They have given up their evenings to talk and engage with people; and from Pasture terrace and Willow grove in Beverley to Burstwick, Hedon and a number of other places, serious improvements have been made to reduce flood risk.

I pay tribute to East Riding of Yorkshire council, which did not rush to judgment but set up a flood review panel. It spent months doing the work; it thought about it deeply; and it has encouraged parishes to come up with their own emergency plans and to think deeply about how they can minimise risk. Much good work has happened in Beverley and Holderness, and I am delighted that that is the case.

[Mrs Anne Main *in the Chair*]

I also pay tribute to the fire service. Again, I had been extremely critical. The floods happened on 25 June. Fire officers were doing 12 or 14 hours in floodwater, rescuing people. That happened to be in June. It happened to be the case, when they went in with fire kit on, which was completely unsuitable for flood work, that they did not freeze. If it had happened in February, they would not have been able to stay in the water as they did so heroically, doing 12-hour stints, looking after people. They would have had to come out, possibly after 40 or 45 minutes. People would have died simply because they did not have the kit to go in the water. I was ferocious in my criticism of how we got ourselves in that situation then, and the service listened and has invested and trained up its staff and they have the kit. We can be assured that if such an event happens again, we will have trained firefighters, with the right equipment, who can go in, effect rescues and protect people's lives. If the floods had happened in February instead of June, people would have died as a result. That will not be the case in future.

Many positive things have occurred. If we do not look at a transfer to the water companies, I would like the Minister to reflect on the situation in the Netherlands, which has larger regional boards as opposed to our internal drainage boards. I visited the country once with the all-party coastal and marine group. People there have tax-raising powers, as I recall, but they have to deliver statutory protection standards. When we visited, we found that their rural areas had a higher guaranteed standard than central London. They looked for one-in-1,250-year flood protection for their rural areas and one-in-10,000-year protection for their urban areas. Of course, they have a completely different history and culture around flooding, given that the whole country is pretty much at risk of flooding and they carved it out of the sea in the first place. However, if we want people to be given proper protection, we perhaps need to implement such flood protection standards. They might need to be different in different places, but people should know that if they build behind a certain line or they have a house there, they will have protection that is maintained over time, whoever provides it. I hope that that will happen.

I know that, as Opposition Members have said, the Minister has spent a lot of time considering and understanding this issue. Across the Chamber, we have

enormous confidence in him. We not only hope but expect that he will introduce a long-term settlement that means that the people who suffered so much in 2007 and in years before and after that will not suffer in that way again. That will be because of the Benyon settlement. Whatever the cynicism of people about the motives of those of us who come into public life, we do so in the hope that we can make a significant positive difference that affects the lives of thousands of people for the better. What better monument to the career of my hon. Friend than that he should provide the long-term Benyon settlement on flood protection and prevent the misery that blighted the lives of my constituents in 2007 from happening again in the future where it can be avoided?

3.56 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): It is a pleasure to serve under your chairmanship, Mrs Main. I commend the EFRA Committee on its excellent report and on bringing it to the attention of the House in this debate. I particularly commend the Chairman of the Committee, my hon. Friend the Member for Thirsk and Malton (Miss McIntosh).

Water is a scarce resource. We may not feel that that is the case, given the recent downpours that we have had. However, as the hon. Member for Workington (Tony Cunningham) said, the debate should not just be about defences, but about the use of water and about water management. Water is a scarce resource in this country, despite its being surrounded by water. If I may, Mrs Main, I will take this opportunity to advertise the fact that this very Saturday I will be doing a walk for WaterAid along the Suffolk coast, raising money for people who really do have very little water.

My hon. Friend the Member for Beverley and Holderness (Mr Stuart) gave a very thoughtful speech on the national flood standards, referring to the Benyon settlement or the Benyon formula. Perhaps there will be many arguments about that in future as there are about the Barnett formula.

I want to refer to a few paragraphs and recommendations in the Select Committee report. I will begin with recommendation 22 about the abstraction licensing regime. I made—well, it was not an error, but I drew the attention of my right hon. Friend the Prime Minister to the potential drought in Suffolk earlier this year and I wish that I had shut my mouth because we had so much rain in the summer it was untrue. However, I do not regret doing that because it did make things happen. *[Interruption.]* It did not make it rain, but it ensured that the Environment Agency worked with local farmers to ensure that Suffolk was one of the few areas suffering such arid conditions that was not declared an official drought area. They worked together in a co-operative way, and I was delighted with that.

The particular issue in Suffolk was abstraction from rivers. That was where we had the biggest problems—the biggest threat. The flexibility of licensing that is recommended is important, and I hope that the Minister will consider carefully widening the times of the year when water can be abstracted or stored and how it is used and captured. It seems ridiculous that when we are having downpours, we are not allowed to capture some of that water in our reservoirs.

The report also discusses tradeable rights. I think that such trading does happen now, but perhaps not in a formal way. Certainly in my constituency, farmers can use one another's licences, but they have to secure agreement from the Environment Agency and Natural England. We all know the joy of trying to ensure that people work together, but that has worked and the people to whom I have referred pay one another. It may not be a formal scheme, but an informal scheme does operate.

We must be careful lest we end up with what happens under the fishing regime. People begin to buy and trade quotas, and they end up having rights to quotas and perhaps licensing arrangements that they never use themselves—they just use them as a financial asset. That would be a great mistake.

The grandfathering regime is referred to in the report. Of course, that exists now. It may not sound very conservative, but I am not talking about nationalisation of licensing or water rights. However, if people are to be rewarded, we should ensure they have actually been using their water rights and that they have not been sitting idle. It is possible that people are becoming a bit wealthier and may not have used their rights for some time.

On water storage, I understand exactly what the Committee says about the transfer from the regional development agency and the use of funds from the rural development programme for England. However, I still do not have full details from the East of England Development Agency about what is being done. I know that something has been done, but it is important that we are able to invest in water storage. Whether it is reservoirs or local schemes, I want to support it.

I return to the Flood and Water Management Act 2010. I am not going to talk about funding for flood defences, as that has been eloquently discussed. Councillor Andy Smith from Suffolk Coastal district council and I have met the Minister, so he already knows of my concern that we seem to be relying on his common sense in setting up the regional flood risk committees. Authorities that have responsibility for coastal defences are not automatically included. I fully appreciate the assurances that the Minister has given me, and I realise that he will continue with that, but we will not always have the benefit of the Benyon effect. I hope that the Minister will be at the Department for some time; however, I do not want to limit his ministerial ambition.

I turn next to the practicalities of the necessary coastal defences. The Minister has visited Suffolk Coastal on a few occasions, and he is well aware of the schemes that have been proposed. I would like to thank him publicly for what seems to be a significant change in the approach of the relevant agencies. My feedback from councillors and landowners is that the Environment Agency and Natural England have—dare I say it?—a can-do approach. I am not sure of the reasons for the change, but I put it down to the Minister and his ministerial team. There is certainly a fresh enthusiasm. We have less money, and we cannot always gold-plate everything, so we have to be pragmatic, and some of that is coming through.

Recommendation 12 is on internal drainage boards. Much has been said about them already, and I support many of those comments. I agree that they could be used more, and I would welcome a localist approach if

[Dr Thérèse Coffey]

they wanted to take on more tasks. I believe that most of them have a local authority presence. I know that there is talk about oversight, and whether the boards are reporting to the Environment Agency. I like to think that county or district councillor members of IDBs are playing a full part. I realise that not all boards have filled those vacancies with councillors; I would encourage them to do so. I genuinely believe that IDBs can often do a lot of the work much more cheaply. It never fails to amaze me how a project's costing is scoped out. Although some of that has changed, we should recognise that not all defences need to last 100 years, and that we could be looking at generational life of 25 to 30 years. We should use the IDBs whenever we can, as they do such a good job on other matters.

There is another problem that keeps coming up in my constituency. I have to be careful how I phrase this, but the Environment Agency says that it will not stop landowners defending their parts of the coastline. The same goes for Natural England. To some extent, however, they do stop hard defences being erected, although they will manage soft defences for a few years. The Benacre estate at the top of my constituency is losing land every year to erosion—I have forgotten the exact amount but I think that it is about 15 acres—but it is not allowed to use hard defences.

I realise that we are not debating shoreline management plans today, but they have to connect up. There is no particular compensation for that loss of land. We would not take land away from people living in the centre of the country and say, "You are not allowed to put a fence around that and someone else can come and camp on it and you won't have access to it"—that kind of thing; I do not want to be controversial—so we should expect compensation for people who are not even allowed to use hard defences on their own land. I do not want to say too much about human rights, but there is a feeling that people are not being allowed to protect their own property.

I understand what paragraph 9 has to say about agriculture. Suffolk is famous for its pigs and potatoes, but if we did not have agricultural land the potatoes could be grown elsewhere or even imported. I am not sure that that is the right policy direction, however; I believe that we should think more about our resilience and the value of food security. I would like a little bit more value to be given to agricultural production in the funding formula.

Insurance is important, as several Members have said. I am slightly concerned that we will not have any more information on the subject until March 2012, just a year before the current agreement comes to an end. However, I have every confidence that the Minister and his officials will secure a successful outcome, so that people can continue to live safely and securely in their own homes.

I wish to make one final suggestion. It is not about legislation or directly to do with floods. The Department has worked well with the new planning policy framework to ensure sustainable development and to deal with water stress, but I return to a point that I have made in the main Chamber about building design. We should encourage people to reconsider the way in which electrics are installed, especially if we have to build in difficult places such as floodplains. I understand that one of the major problems when waiting for a house to dry out, which affects the cost of repair, is the fact that the sockets are at floor level rather than at waist height. Some simple planning guidance or design ideas would save the insurance industry a lot of money and result in lower premiums. I thank the House for its patience.

4.6 pm

John McDonnell (Hayes and Harlington) (Lab): I refer to my entry in the Register of Members' Financial Interests that I am secretary to the Fire Brigades Union.

I will focus on the statutory responsibility for flood preparation and flood response, although I almost feel that I should apologise for raising the matter so consistently in recent years. After the 2007 floods, the Pitt review was undertaken; its early recommendations were fairly straightforward, despite what the Committee calls some vagueness. The report recommended:

> "The Government should urgently put in place a fully funded national capability for flood rescue with Fire and Rescue Authorities playing a leading role, underpinned as necessary by a statutory duty."

That recommendation was fairly clear, but, referring to what the report had to say about preparation and rescue, Pitt added that

> "the Review strongly believes that a statutory duty is the best means to achieve these outcomes."

He continued:

> "Whilst it is conceivable that non-statutory approaches, such as those proposed by the CFRA"—

chief fire and rescue adviser, Ken Knight—

> "might work, such approaches do not provide the certainty the public expect and the Review believes is needed."

All the evidence demonstrates that the original Pitt recommendations were correct. Despite some additional moneys being invested in equipment and in some elements of training, the evidence that the Committee received from the FBU was that things had gone backwards rather than forwards. Not enough was being invested in training exercises or in the necessary equipment. It should be blindingly obvious to those who have served in local government that if a statutory duty is not placed upon a particular local government role or function, it is no longer a priority at budget time. Statutory duties always gain priority when it comes to the allocation of resources.

I am pleased that the Committee heard more evidence on the subject, and recommendation 3 reinforces what Pitt had said. The Committee said at paragraph 26:

> "We are concerned that the lack of a statutory duty for Fire and Rescue Authorities could jeopardise their flood preparation and response work, given pressures on them to direct their limited funding towards fulfilling nondiscretionary duties."

We had hoped that the Labour Government would legislate on the matter, but what legislation we had did not deal with the question of statutory responsibility.

Miss McIntosh: I am grateful to the hon. Gentleman for his declaration of interest. Is the problem in his view a matter of funding, the responsibility for which no longer lies with DEFRA but with the Department for Communities and Local Government? We stand by our recommendation, but does he think that we should go

further? We say that the matter should be included in the funding formula applied to the emergency services. Does he share our disappointment that that has not been done immediately?

John McDonnell: The Pitt review identified two areas: clarity of leadership in a particular response and resources, because a statutory duty gives security of access to those resources. I take the view that the statutory duty needs to be introduced as quickly as possible to tackle both matters. There should be more clarity about local government's responsibilities; flowing from that will be both the resources and the clarity of the approach on the allocation of those resources for both Government and local fire authorities.

Unfortunately, the previous Government failed to legislate, but they set up various exercises and consultations that will eventually come to fruition. After the general election, the coalition agreement made reference to the Pitt review. It committed the coalition to taking forward

"the findings of the Pitt Review to improve our flood defences, and prevent unnecessary building in areas of high flood risk"—

in other words, implementing the recommendation of the Pitt review with regard to the statutory duty. The previous Government undertook Exercise Watermark. Although they did not specifically undertake to provide the analysis for a case study for a statutory duty, we were advised by Ministers responding to parliamentary questions that the exercise would inform the Government's decision about whether statutory responsibility would be required. The interim report from Exercise Watermark told us that there would be a final report at the end of September. Encouragingly, it also said:

"Feedback from the Chief Fire Officers Association (CFOA) suggested the statutory duty for flood rescue should be co-ordinated by the Fire and Rescue Service (FRS) with appropriate funding."

The interim report indicated that we were moving towards a statutory duty being introduced by the Government.

We then also had the recommendations from the fire futures forum, which advises Government on general safety issues, including fire and flooding. It discussed the options for future reform of the fire service and called for the implementation of a statutory duty, but with some caveats on where the funding for such work should come from.

A consensus seems to have been built up in recent years, stemming from the 2007 floods and culminating in the lessons learned from the 2009 floods, that there should be a statutory responsibility. We simply await the outcome of the final report on Exercise Watermark. Will the Minister confirm whether that report will reach us by the end of September? If not, will he intervene—perhaps in this memorial way that seems to be being pushed to establish his reputation—to ensure that the report is finalised as speedily as possible?

If the report fails to recommend a statutory duty for fire and rescue authorities, there will be many who will be extremely anxious that this is a missed opportunity to clarify duties and responsibilities and to secure funding. If it does recommend a statutory responsibility, I urge the Minister—I am sure that Members in this Chamber will assist him all they can—to lobby others to ensure that there is parliamentary time to enable such legislative activity to take place.

4.14 pm

Mr Laurence Robertson (Tewkesbury) (Con): I congratulate my hon. Friend the Member for Thirsk and Malton (Miss McIntosh) on securing the debate. I also congratulate her and her Committee on producing such a comprehensive report. As Chairman of a Select Committee myself, I know how much work goes into reports.

My hon. Friend spoke about the devastation that the floods caused in 2007. In June that year, my Tewkesbury constituency was badly flooded, but that was nothing compared with what came a month later, in July, when the area was absolutely devastated—although, paradoxically, many thousands of people lost their water supplies. Tragically, three people lost their lives and many people lived for well over a year in caravans as a result of the flooding. Some have struggled to get any insurance at all, even when flooding was excluded from the policy. That is how bad things have got. This is an extremely important issue.

As time is limited, I will touch on just one issue, which links in with the DCLG. The Department obviously has a big role to play in the new planning proposals, particularly in areas affected by flooding. The report mentions this in paragraphs 47, 48 and 49, under the heading, "Planning to Mitigate Flood Risk." We cannot completely remove flood risk. If it rains as heavily as it did on 20 July 2007, we will have flooding. My constituents who live where two main rivers meet and several other rivers run understand that. The point is that where possible, we should not make matters worse—indeed, as the report says, we should do whatever we can to mitigate flooding.

Looking at the proposals that are emerging—I accept that they are from another Department, but I am sure that DEFRA has had its say in them—we see welcome recognition of the problems caused by water displacement. In other words, it is recognised that not only could new houses flood, but their being built could cause other houses to flood. That seems to be a new development. I have struggled to get that message across to Parliament, the Government, the Environment Agency and anybody else: the problem is not only new buildings, but the trouble that they may cause for other people.

The big word in the new planning proposals is "sustainable". As far as I can read, that means that this generation should not make matters worse for the next. We could take that further and say that, within this generation, somebody who lives in village X should not make life worse for somebody who lives in village Y. Basically, it is about thinking about other people, which I am very pleased about. If we adhere to that then surely we should not have too much development in flood-risk areas.

In the new planning proposals, I am pleased to see recognition of the problem of building in flood-risk areas. Paragraph 149 says that we should

"avoid inappropriate development in areas at risk of flooding by directing development away from areas at highest risk… or where development is necessary, making it safe without increasing flood risk elsewhere".

That prompts the question: what is necessary? Although that comes down to business assessments, housing projection assessments and site-specific assessments, it worries me that we have a sequential test and an exceptional

[Mr Laurence Robertson]

test. That is nothing new—it was in planning policy statement 25, and it has probably been strengthened in the new planning proposals. None the less, I am still worried about who is making the assessments. It certainly is not the people who have to live in the houses who might be flooded or those who might be flooded as a consequence of new houses being built.

The Environment Agency will play a big role in that, which is a cause of concern. I have been a critic of the agency for many years, and with good reason, although I will not go into that now. Over the years, the Environment Agency has improved—I do not doubt that at all—but more work needs to be done to define its role more closely and more accurately, to enable us to assess whether it actually has the powers that it needs, to assess the work that it does and to see how effective that work is. I know of a planning application in my area where the land flooded but the Environment Agency said that that land was okay to build on. It has also said that where water rests perhaps just below the surface, that land is okay to build on. I do not accept that—I do not accept that analysis at all.

We have a bit of work to do in relation to the Environment Agency and I urge the Minister to speak to his colleagues in the Department for Communities and Local Government to ascertain what we are talking about when we say that building in flood-risk areas is "necessary"; I am sure that he does so already regularly. We must examine what is "necessary" much more carefully. I recognise that the draft national planning framework is, to an extent, strengthening flood defences, but we need to go a lot further than that. I want to stress that—it is the central point that I wanted to make.

When I say how important it is to build in the right places, I remind Members of the iconic picture of Tewkesbury abbey surrounded by water. I have even spoken to people in Australia who saw that picture; everybody who has seen it remembers it. The words "surrounded by water" are very important because Tewkesbury abbey, which was built at the end of the 11th century, did not actually flood. Deerhurst priory, which is just down the road from Tewkesbury abbey, was built in about the 7th century. Although it is located in a village that flooded, Deerhurst priory itself did not flood. The point that I am making is that in those days people knew how to build and where to build. That is an extremely important point. Everybody recognises that we need growth in the economy, new jobs, new businesses and new houses, but the question is, "Where do they go?" That is the central point that I am making today.

I want to mention a couple of other issues. As has been mentioned already, we need to ensure that all the ditches, drains, culverts and sewers are properly maintained and repaired. We had an incident in my area where two culverts were never joined up and further down the road there was also a broken culvert. Houses flooded on that road for the first time ever, to my knowledge, in June 2007, but then flooded again in July 2007. That is an example of what happens when maintenance is not carried out. Another estate was built up a hill—the hon. Member for Llanelli (Nia Griffith) referred to building at the top of a hill and how it is obvious that the water will run down the hill. The same thing happened in the village in my area where the estate was built, yet we now face the possibility in that very village of more houses being built, which could cause even more problems. The village that I am referring to is Prestbury, which I am working very hard to try to protect.

We must ensure that all the waterways are cleared and maintained. That work will not prevent flooding if we get the kind of rainfall that we had on that day in July 2007, but it will help. As my hon. Friend the Member for Beverley and Holderness (Mr Stuart) mentioned, we also need to ensure that any flood prevention schemes that are implemented—we are getting some in my area and they are very welcome—are well designed and actually work.

If we do all those things, if we are sensible about those things and if we apply common sense, we will not prevent all the flooding—I have already said that—but we will certainly convince our constituents that we are taking sensible decisions and that we are doing everything we can to mitigate the worst effects of flooding.

4.23 pm

Anne Marie Morris (Newton Abbot) (Con): I add my voice to the voices of others who have commended the work of my hon. Friend the Member for Thirsk and Malton (Miss McIntosh) and her Select Committee. The Committee's report is an excellent piece of work and it is thoroughly welcome.

As a Member who represents a constituency in the south-west, it will come as no surprise to people that I wish to speak today about water charging. The water charges in the south-west are the highest in the country, with an average bill of £517. I am afraid that that figure is rather higher than the one given in the Select Committee's report, which puts the figure for the south-west at £490. At £517, the average bill in the south-west is 43% above the national average for water charges. Although I understand the points made by the hon. Member for Llanelli (Nia Griffith) on the challenges that she faces in Wales—I absolutely empathise with her—the south-west has 30% of the country's coastline and 3% of the population, so the burden that we bear is exceptionally great.

Unfortunately, in addition we also have a large amount of sewage pipework inherited at privatisation without the adequate funding to get it into the state that is required. The problem was inevitably exacerbated by the bathing water directives, which were not foreseen and which have created all sorts of challenges for us in the south-west. The problem in the south-west is very significant.

Possible solutions have been considered by a number of different bodies. I commend the Walker report, which came out with a number of very good options. Equally, Ofwat came up with some good options. I will not go into the details of those, because they are well rehearsed in the Select Committee report. I am pleased to say that DEFRA has consulted on a solution. Of the four areas that were looked at, information on three of them was included in the DEFRA consultation. With the interests of the people of the south-west at heart, I will comment only on those options, which I hope will inform the Minister in his thinking when he comes to draft the water Bill, which I, like others, am keen to see sooner rather than later.

The first suggestion related to social tariffs. Whatever else we do, we certainly need to get a social tariff in place that works properly. The current tariff, WaterSure, is a good start, but unfortunately it does not protect some of the most vulnerable people in our society. Come what may, it needs to be reviewed. The suggestion that the social tariff be transferred to a central pot rather than continue to come out of the individual water companies' pots is a good one. If that happened, I would want the water companies to take a sensible approach locally, to do what is right to meet the particular and peculiar needs in their own part of the world.

The second option considered was rebalancing who pays for what within the south-west itself. Given the overall unfairness of the settlement at privatisation—I am sure that that unfairness was not intended and that it was just one of those unfortunate consequences—rebalancing within the south-west itself is not something that any south-west MP would view with any comfort. Paying south-west Peter by robbing south-west Paul is not the solution, I think. Other suggestions include rebalancing sewerage charges and the business community paying a higher share, but tourism is crucial for us, so any rebalancing of that nature would certainly be most unwelcome—I am sure that the Minister recognises how unwelcome it would be.

I was interested that the third option put forward by Anna Walker in her report was not in the DEFRA consultation; in fact, I was very pleased that it was not in the DEFRA consultation. That option was to cross-subsidise the south-west from water-charge payers in other water company areas. The Minister, in ruling out that option, said that it would be quite inappropriate to take money from an individual in Newcastle who was on benefits to provide a subsidy for a water-charge payer in the south-west who may well be a millionaire. I say gently to him that perhaps he does not fully understand that the average income in Devon is actually £2,964 lower than the national average. Contrary to what too many people believe, the south-west is not a countryside of cream teas and beautiful cows, in which we all sit eating our strawberries and cream. The area is very rural, but we have a number of very deprived areas and the highest number of retirees and pensioners in the country. There is not a large number of millionaires sitting in the south-west, waiting to be bailed out by those in the north who are less well off.

The final option in the DEFRA consultation was one that I very warmly welcome. If I have one message for the Minister today, it is, "Yes, please, that is exactly what we want." It is the suggestion that the Government put a £40 million subsidy behind South West Water bill-payers, which would effectively knock £50 off each bill-payer's bill in the region. That would not only be welcome but, in the current circumstances and given the history, it would be the right and fair thing to do, because even though, if that subsidy were given, people paying water rates in the south-west would still have the highest water rates in the country, they would at least be less badly done by than they are now.

We need to look carefully therefore at what we do. It would be nice to see a "Benyon report" suggesting that the Bill include the adoption of the £40 million subsidy but, as the hon. Member for Llanelli pointed out, there is an ongoing challenge for those of us whose constituencies have long coastlines, and that is a challenge for the Government. If I might be so bold, given that two more directives on water quality will come from Brussels sooner rather than later, we should consider the matter urgently, rather than wait for the water Bill after the forthcoming one.

The Government have bravely already looked at the relationship between the taxpayer and the private sector in other areas. They have considered renegotiating some of the private finance initiative contracts that were biased against the taxpayer because the risk had not been properly assessed at the time they were entered into. Likewise, they have looked at the relationship between the taxpayer and the banks. Now might be an opportune moment to look at the relationship between the taxpayer and the water companies. I am sure that there would be all sorts of legal challenges and hurdles to overcome, but that does not mean that it should not be done. For water authorities that face particular challenges as a result of the water quality directive—for example, where the percentage increase would be very difficult for the local community to bear, a cap on above-inflation rises allowed by those companies might be considered in the annual review. That is something for the Minister to think about.

I shall turn very briefly to flooding. The Minister knows very well that it is a subject that is also close to my heart. I have to thank him for what he has done to ensure that I have flood defences in Shaldon and hopefully—subject to planning consent—in Teignmouth. Flood prevention is critical, and I pay tribute to my hon. Friend the Member for Thirsk and Malton for the careful and thorough analysis she set out at the beginning of the debate. She hit the nail absolutely on the head. If, as evidence seems to bear out, for every £1 we spend now we effectively save £8 in the future, flood prevention must be a key priority, and I am glad that it was presented as such in the national infrastructure plan.

I share some of the views that other hon. Members have expressed about the best solution. In planning policy, although the report makes it clear that it would be inappropriate to ban building on floodplains, developers have done very well from building on such land without having to contribute to the windfall, so there is an argument for reviewing the planning rules and regulations with a view to possible limits on building on flood plain. In insurance, which is the second key issue in the flooding debate, the renegotiation of the statement of principle that will lapse in 2013 needs to involve all parties, and not be seen as a matter for just the Government and the insurance industry. Developers and other beneficiaries of changes ought to play their part.

Those are the key points that I wanted to make today, and I am grateful for the opportunity to debate this crucial matter.

Mrs Anne Main (in the Chair): Before I call the next speaker, I remind everyone that the winding up speeches start at five minutes to 5. I call Priti Patel.

4.34 pm

Priti Patel (Witham) (Con): I welcome the opportunity to speak in this debate and I pay tribute to the Select Committee and its Chair for offering this comprehensive analysis of flood management issues. I would like to use

[Priti Patel]

this debate to bring the Minister's attention to a couple of problems with existing flood management arrangements in my constituency.

I also put on record my thanks to the Committee's Chair for her recent visit to my constituency, and for the time she spent meeting my constituents to discuss many of the flood management issues that I will raise. She learned of the serious flood and shoreline management problems in my constituency, and listened to the many concerns raised directly by Andrew St Joseph, the chairman of the independent farming-led Managing Coastal Change group, and other local farmers and landowners. They very much welcomed her interest in these matters, and are very grateful to her for her time and her visit.

The Minister will be familiar with some of the matters because of my correspondence with him at the beginning of this year about questions I had asked him in the House. In those exchanges, I highlighted the fact that landowners, farmers and people contributing significant sums of money to the Environment Agency for shoreline management felt completely excluded from the decision-making process. I urge the Minister to address that serious problem. Each year, through the general drainage charge, farmers in Essex give the Environment Agency something in the region of £800,000, which is a significant sum that could instead be spent on other investments or by farmers themselves in acting against flood risks. The farmers continue to feel that they are being subjected to a regime under the auspices of the Environment Agency that generates taxation almost without effective representation. For instance, there is no system in place and no channel of communication to enable people who have contributed to the cost of flood management locally to see how their money is being spent, or to make representations to influence that spending. It is therefore understandable that my constituents and those landowners feel totally ignored, while their contribution seems to be going in one particular direction. Could the Minister find the time to come to my constituency—we would welcome him with open arms—to see at first hand the problems and challenges regarding the flood and shoreline management plan? Alternatively, he could perhaps meet my constituents here in Westminster.

My constituents also raised concerns about matters that have already been mentioned, such as the modelling of sea-level rises always being based on worst-case scenario planning across the area rather than on examining the potential impacts at a local level, and about how the plans for managed re-alignment will work. If my constituents had genuine engagement with the Environment Agency, I am sure that those problems could be addressed and that we would have different scenarios and completely different outcomes.

There are also concerns about the dialogue and engagement with Natural England. I was impressed by the positive experiences of my hon. Friend the Member for Suffolk Coastal (Dr Coffey), which seem to have come off the back of direct action by the Minister as well. I welcome, endorse and praise that, and hope that we can bring something similar to Essex. However, the problem is the discrepancy in the experiences of engagement with such bodies, and I make a plea to that effect to the Minister.

In the Select Committee report, the link between the agricultural sector and flood defences has been clearly highlighted. In my constituency, there are farmers and landowners who want to engage with the authorities on flood management but already feel disfranchised by their experience with the shoreline management plan. They have many anxieties.

In light of the shortness of time, I want to use the few minutes that I have left to say that there is a plea here to get rid of the bureaucracy and red tape—about which we have already consistently heard—between the various bodies and organisations. It has been reported to me that it can take up to two months and reams of paperwork for the Environment Agency to grant permission when it comes to dealing with shoreline management and flood risk, while Natural England can issue 13-month permits for the same applications. There is, therefore, a bureaucracy and streamlining issue here, and I would welcome the Minister's intervention and some positive views from him about how some of these areas can be simplified so that landowners can work on sea defences. It is all bureaucratic, but I look to the Minister to bring us positive news on that front in the time that we have left. He is welcome to come to my constituency and meet my constituents. I hope that he will take that on board.

4.39 pm

Neil Parish (Tiverton and Honiton) (Con): It is good to serve under your chairmanship, Mrs Main. I thank my hon. Friend the Member for Thirsk and Malton (Miss McIntosh) for initiating this important debate. It is great to see the Minister here. I echo the words said about what a great job he is doing. His practical background helps in such matters.

I will make some general points. First, I endorse the comments made by my hon. Friend the Member for Newton Abbot (Anne Marie Morris), and I reiterate that the west country has 3% of the population and 30% of the beaches. We also have an elderly population whose incomes are often fixed. High water charges are an issue for them, whereas in many parts of the country, water bills do not represent such a major percentage of income as in the south-west.

South West Water does a good job, but will the Minister consider more competition among water companies? My constituency borders Wessex, and Wessex Water customers pay a good deal less for their water than customers of South West Water. Is he considering it? I know that the Scottish model means that there is only one water company, but there are five retailers who buy wholesale from Scottish Water, resulting in competition, not among householders but among businesses. That could affect even bed and breakfast establishments. Would some competition not ensure that water companies deliver at competitive rates? Ultimately, we must secure value for money for our consumers. Also, I know that he has ruled out a national levy, but 3% of the population pay for 30% of the beaches. It should be shared around. I welcome the Government money offered by the Chancellor, and I look forward to what the Minister can do to alleviate the problems with water charges.

Lots of villages in my constituency have flooded, particularly Feniton. I endorse what was said by my hon. Friend the Member for Tewkesbury (Mr Robertson)

and others. The village includes lots of bungalows, and elderly people were stranded in them and had to be rescued from their lofts. That is an absolutely terrifying experience, and there is a social side to it as well as a cost.

Turning to costs, Labour Members made great play of how much this Government have had to cut flood defence money, but it is no good for them to say that when they spent all the money and left us with a huge deficit. We must make the money go further. I make a plea to the Minister—I know that he is already doing this—to ensure that the Environment Agency works with landowners and others to come up with schemes that are not expensive or elaborate but do the job. There are a lot of practical things that we could do to make the money go further. Insurance companies that insure properties in flood risk areas charge the owners huge premiums. Is there any way—I do not know whether it is possible—to tap into some of those resources? We must think outside the box. Other hon. Members have asked how much water companies can contribute in future. Only taxpayers' money is involved, but we are borrowing so much money just to pay the interest on our deficit that we know that huge sums will not be available.

Perhaps I ought to declare an interest on the matter of managed retreat. I am not a great admirer of it. The Netherlands has been mentioned. If the Dutch practised managed retreat from the sea, they would retreat from their country. The world's population is growing, and we are going to have to feed that population. Is it right to retreat from land and let the sea come in? People often do not realise the difference between freshwater and seawater flooding. Freshwater flooding does some damage to the land, but it recovers quickly and grass and crops can still be grown on it. Seawater flooding destroys the land so future generations cannot produce food on it.

Working with the Environment Agency and with farmers, we could find ways to save a lot of money. Protection is in place, but with the sea rising, we might need to raise sea walls. We could do so using systems involving earth banks, perhaps, rather than elaborate banks. I urge the Minister to consider it. We live in an age when people are concerned about flooding and their homes, but I repeat that we must also get the best value for money. I know that the Minister is considering ways to do so. I welcome the chance to speak in this debate to present the worries that people have.

On a final point—my hon. Friend the Member for Tewkesbury mentioned this—although the Environment Agency has got better, we use our rivers for too many things. We are inclined to say that they are great for conservation. They are, and we want to keep water levels high, but in doing so, we let rivers and tributaries silt up. Somerset, for instance, has the Rivers Tone and Parrett. At Burrowbridge, the river is virtually completely silted up. One of these days it will rain and rain, and Taunton and Bridgwater will flood, because that water will not be able to get out to sea in time. It is good to keep water penned at conservation levels during the summer, but let us dredge those rivers properly so that the water can get out to sea. It is not hugely expensive, but it is a matter of foresight.

Culverts, ditches and other water channels have been mentioned. Again, I declare an interest, as I farm in an area that has such features. Internal drainage boards are good at managing things, and I know that the Minister is considering how they can do more. If we rethink how we drain our water, we will not have so much flooding. I agree again with my hon. Friend the Member for Tewkesbury: if it rains and rains, we will have floods, but not if we prepare the proper drainage channels. That is what they were designed for, but at the moment, many towns, such as Taunton, have narrow pinch points where the water comes through the town. It all looks beautiful; the only thing is that if a lot of water must go through the town, it will not go through a smaller channel.

All those things should be considered, but I know that with a Minister of the calibre and experience that we have here, we will have no problem. I welcome the chance to raise these issues.

4.47 pm

Mr Jamie Reed (Copeland) (Lab): It is a pleasure to serve under your chairmanship for the first time, Mrs Main. I thank the Chairman of the Select Committee, who has been typically forthright and diligent in producing an important and thorough report. This is a crucial discussion, and one of fundamental importance to many aspects of communities throughout the country and to our country's social, environmental and economic future. I pay tribute to the Chair and other Committee members for their work in producing the report.

The report provides the basis for a great deal of further work by both Parliament and Government. I suspect that important as the report is, this is not the last time that the Committee will return to the issue in such detail. I also suspect that we will have to wait for the long-delayed water White Paper, which is due to be published in December, before we can see comprehensively what the Government intend to do in response to the issues raised by the Committee. I appreciate that the Minister has plenty of questions to answer, so I will be as brief as possible. My first question is this: can he give us a categorical assurance that the White Paper will be published in December this year, and that it has not slipped any further?

The report raises a series of vital issues requiring rapid policy responses beginning with flood management, particularly flood insurance, which many Members have mentioned. Changes to flood insurance for homes and businesses will take effect in July 2013, bringing to an end the statement of principles agreed between the last Government and the Association of British Insurers, acting on behalf of the insurance industry, in 2008. The statement of principles placed clear obligations on Government and industry alike, the most important being the maintenance of investment by Government in flood defences. Following the change of Government, as has been discussed, that has not happened—flood defence spending has been cut by 27%. Although I do not believe that the report under discussion lends itself to some of the more partisan comments that we have heard, I urge those Government Members who have made the point about spending cuts not to pretend that they are not responsible for those cuts. Neither should they pretend to their constituents that they are not their responsibility. The Government acknowledge the 27% cut.

Neil Parish: Will the Minister give way?

Mr Reed: I am not yet a Minister, but I am happy to give way.

Neil Parish: I apologise—I meant to say the shadow Minister. The hon. Gentleman makes the point that we are responsible for the cuts, but will he also make the point that he and his party were responsible for the huge deficit that we inherited?

Mr Reed: I would love to debate this issue with the hon. Gentleman morning, noon and night.

Mrs Anne Main (in the Chair): Order. I hope that the hon. Gentleman does not, because it has nothing to do with what we are discussing.

Mr Reed: I am grateful for your guidance, Mrs Main. I fear that I would have strayed for some considerable length.

The report highlights a series of concerns surrounding the reduction in funding available for flood defences. It states that

"to maintain the current level of protection in the face of increasing flood risks requires increased investment and the significant CSR cuts will increase concerns that funding on flood defences remains inadequate."

It goes on to say that

"it is by no means certain that any shortfall in public funding can yet be made up by private contributions. Ministers must spell out how the Government's aim of focussing public funding on those communities at greatest risk who are least able to protect themselves will be achieved in practice."

I agree wholeheartedly with the Committee. It now behoves the Government to end this ambiguity, because it is damaging and has dragged on for far too long.

I also urge the Government to understand the detailed effects of their policy as matters stand. The NFU has made a compelling argument in that regard. It notes, with typical tenacity:

"The reality is that regions containing a significant conurbation of housing and business development i.e. a city will create a distortion in the allocation of national flood risk funding. This means that many rural areas...will be likely to suffer a steep decline in flood risk investment as a result of this distorting effect of policy. We believe rural areas within regions will therefore have difficulty in obtaining national funding for new flood risk management schemes."

The NFU is entirely right and I thank it for the attention it has given the issues and for representing the interests of its members and, more broadly, the more rural elements of our country in a typically forthright and effective manner.

Do the Government accept the analysis that their funding criteria for flood management distort funding away from flood defence schemes in rural areas? If the Minister does not accept that analysis, what is the basis for his contrary view?

The Government maintain that reduced flood defence spending can still safeguard 145,000 properties over the duration of this Parliament. Inevitably, that will mean a greater concentration of available moneys in more densely populated areas in order to achieve greater, and arguably quicker, economies of scale. For less densely populated areas, this represents a gathering storm—less flood defence investment, with potentially more expensive or difficult to obtain insurance cover and greatly inflated excess payments—which could lead to entire communities becoming blighted. I am sure that hon. Members on both sides of the House are aware of that problem.

What specific discussions have the Government held with the insurance industry regarding the effects on the costs and availability of flood insurance in rural areas as a result of this policy change? Have the Government undertaken any assessment of how these policy changes will affect land and property values in rural areas? If so, has the logical modelling been done with regard to how such a policy change will affect not only businesses in these areas, but the cost to their public services?

With regard to the farming industry, surely modelling work has been undertaken on the impacts of different flood management models in rural areas and the consequences of that for agricultural land and food security. Surely the necessary work with regard to these issues has been done. If not, will the Minister explain why? If the work has been done and the answer is yes, will he undertake to make this work available to the public and to colleagues? If the work has not been undertaken, I fear that the Government's approach to these issues cannot be described as holistic and will inevitably invite failure.

We need, as has been said, a broad and lasting consensus on the policy measures necessary to achieve a fair insurance system whereby flood insurance is available to everybody at affordable rates. If as a country we fail to meet the serious challenges presented by the changing flood insurance landscape, that will result in profound social effects. Governments, of whichever colour, cannot outsource their accountability in this area. It is not fair and it does not bode well for effective, lasting policy if it is left purely to the insurance industry. With one in six homes and businesses in England and Wales at significant risk of flooding, this is without doubt one of the biggest social and economic policy challenges facing the country.

Effective policy implementation will require the substantial buy-in of major stakeholders in this policy field—not just the insurance industry, but the water industry—whose co-operation is pivotal in identifying and implementing effective policy solutions. The companies involved in our water industry could also be pivotal in helping us to address significant parts of the flood policy challenge. I have spoken with the industry and it is clear that there is huge and, in many ways, unrealised potential locked within it that is both prepared and able to help us improve flood management policy. What work has the Minister's Department done in that regard, and has any work been done on incentivising soft or natural water and flood management schemes to be undertaken by water companies, as opposed to hard, engineered schemes?

Does the Minister believe that that approach would be aided or hindered by further disaggregation of the water industry and by increased competition? We are all aware of the benefits of competition, but we must also be alive to the potential disbenefits of increased competition. Clearly, asset maintenance and investment in new assets in the water industry are a critical part of the economic base of that industry. It is also vital in relation to the practicalities of flood and water management. Does the Minister share my concern that the disruption of the

market in the UK could disincentivise investments such as these and thus hinder more effective flood and water management schemes?

The Government cannot and must not believe that they can extricate themselves from this policy area. Paradoxically, the cut in flood defence spending may yet necessitate more involvement, more investment and more legislation from Government, in the shape of the Bellwin scheme and other schemes, and more rather than less involvement and expenditure in the future.

I am sure that we are all aware—perhaps members of the EFRA Committee are more aware of this than others—that the water industry is undergoing a period of marked uncertainty as it continues to deal with a badly structured privatisation, regulatory uncertainty, an increased call for its involvement in social policy, global economic uncertainty, and what I think we can broadly agree is increased customer dissatisfaction. The industry is one of the most strategically sensitive in the UK and any significant policy changes, irrespective of the benefits, are likely to incur some cost to the taxpayer either directly or indirectly through contributions to the Exchequer, or directly through utility bills.

Let us be under no illusion that water management legislation is difficult. We all accept that and understand that effective water management legislation requires a thriving water industry. The water industry now faces three areas of challenge, which are perhaps best understood in three separate chunks: the consumer, the environment and impending regulatory change.

First, on the consumer, customers increasingly demand lower bills or more stable charges and, in addition, expect increased investments from utility companies in flood prevention and water management. The existence of water poverty is real and must be addressed through social tariffs or other means. Secondly, on the environment, effective water management cannot just be about consumers and shareholders. It must be about environmental protection, which, as we are all aware, is not cost-free. I urge the Government to respond in detail to the concerns raised by WWF, particularly those in relation to water abstraction. Thirdly, on regulation of the water industry, Ofwat, as colleagues have touched upon, faces major changes. The industry is a major tax contributor, a wealth creator and a significant employer, yet the consequences of the privatisation as it has been structured—which increase environmental responsibilities and the role of the industry in other social policy areas, such as flood defence, water poverty alleviation and other potential environmental remediation—are potentially massive.

The Committee Chairman is absolutely right to suggest that the industry is facing its biggest challenge for decades—there is no doubt about that. Let us make it clear that these drivers offer scope for major policy contradictions as, although they are discrete, each specific area impacts upon the other. So a credible policy must have the buy-in and involvement of the water industry at a very high level. There is a willingness from the industry to do that. Like all major industries, the water industry seeks as far as is practicable, a core political consensus from us in this room and from us in this Parliament, so that it can plan long-term investments with certainty. Additionally, the industry recognises and seemingly accepts the inescapable social and environmental obligations that are upon it.

Our task is to identify those areas of synergy that will bring together consumer benefit, social and environmental improvement, and economic stability. That should inform our policy approach and I hope it is writ large throughout the White Paper when it appears. There are many more matters raised by the report in need of discussion, but they cannot all be mentioned today. The issues have had a significant airing and have largely been brought to the Minister's attention in a detailed way. I trust that he will answer the questions that have been raised not only by me but by colleagues. If not, I trust that he will give us some detailed written answers as soon as possible.

5.1 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): It is good of you to chair our proceedings, Mrs Main, albeit for only part of our debate. I congratulate my hon. Friend the Member for Thirsk and Malton (Miss McIntosh) and her Committee on the priority that they have given the issue, particularly the matter of flooding. I also congratulate them on their report and on raising it so eloquently here today. There is no doubt that these issues are of importance to hon. Members from all parties.

The Government's response to the report has been published and I hope that my hon. Friend and her Committee will accept that the Government are taking full account of all its recommendations. As she has acknowledged, the Government are in the process of implementing the Flood and Water Management Act 2010 in a proportionate way, having due regard to the need to ensure that the regulatory burden on businesses and citizens is justified. We have already provided much-needed clarity on the roles and responsibilities of regulatory authorities, local authorities and others in flood and water management. We are in the process of developing secondary legislation to address the remaining key elements of the Act: sustainable drainage systems, private sewers and reservoir safety. We will consult widely on our proposals once they have been fully developed.

The Flood and Water Management Act covered all of Sir Michael Pitt's recommendations that required primary legislation, except for producing consolidated floods legislation, which it would not be sensible for us to do in advance of the red tape challenge, where we will seek to repeal any unnecessary legislation. We are aware that other parts of the draft Flood and Water Management Bill were included in the subsequent Act. We are looking again at the need for primary legislation and will only legislate where necessary. Any legislative proposals will be set out in the water White Paper. I say very clearly to hon. Members that we are committed to publishing that White Paper by December—not in December, but by December. If there is any change to that, I will personally notify the hon. Member for Copeland (Mr Reed), my hon. Friend the Member for Thirsk and Malton—the Committee Chair—and anyone else concerned. However, that is our commitment today.

The White Paper will focus on increasing the resilience of our water supplies to the pressures of demographic and climate change; on reforming the water industry in the light of those challenges so that it is innovative, efficient and customer-focused; and on ensuring that bills remain affordable. I will come on to address some of the points eloquently raised by a number of hon.

[Richard Benyon]

Members, not just those in the south-west. We would expect any water Bill to be tightly drafted and to focus on water legislation rather than flood management. The Government are committed to increasing the number of Bills that are published in draft for pre-legislative scrutiny, and we will consider the feasibility of doing so in the time available. I hope that my hon. Friend and her Committee will be able to follow that process.

The Government's new approach to funding flood and coastal defence projects announced back in May, which has been raised by a number of hon. Members, has already scored a number of successes. Instead of meeting the full costs of just a limited number of schemes, a partnership approach will make Government money available to pay for a share of any potential scheme. Cost savings and local contributions will mean that more communities can enjoy the benefits that flood and coastal defences bring. We expect that, in 2012-13, there will be around £20 million-worth of contributions coming in from local and private sources. The new approach is enabling schemes to go ahead across the country that otherwise would not be able to do so, as the outcomes delivered by those schemes were not sufficient to be fully funded by central Government. Through partnership funding, we have opened the door to enable local priorities to be funded, while ensuring that every pound of Government investment is focused on supporting those who need it most, especially those most at risk and living in the most deprived parts of the country. That answers one of the points clearly made by the hon. Member for Brent North (Barry Gardiner).

Notable successes include the highly controversial and long-awaited scheme in York and Water End. I hope that that scheme will come to fruition this year. A contribution of £1 million towards the cost from the City of York is, of course, hugely welcome. There is also very good news for Sandwich town, which is an example of how partnership working can bring results. The scheme ran into difficulties as a result of the announced closure of the Pfizer research centre. A significant contribution by Pfizer towards the cost of the flood defence scheme in Sandwich town, along with contributions from Kent county council, has ensured that construction should begin next year.

My hon. Friend and other hon. Members raised the vexed issue of sustainable drainage and sewerage. We recognise the need to encourage and support sustainable drainage. An expanding population, changing climate and urbanisation mean that the drainage infrastructure can come under pressure. That leads to increased flood risk, as there is a fast-flowing conveyance of surface water downstream, with little or none of the slow-moving, filtering characteristics of natural drainage. We intend to consult soon on a package of measures to encourage the use of sustainable drainage systems and to remove the automatic right for developers to connect to the public sewer system. In addition to increased flood risk, the pressure on the sewer system to drain an increasing amount of surface water has a significant negative impact on water quality downstream, for example, through pollution caused by overflowing surface water and combined sewers. We are working to encourage improvements in sewer infrastructure and capability through the transfer of responsibility for private sewers from home owners to water and sewerage companies. I appreciate the point that has been made on that work, which has been 10 years in the waiting. Such an approach will be a massive comfort to many households who face enormous bills.

Before I come on to the more detailed issues that have been raised, I will mention the important matter discussed by my hon. Friends the Members for Stroud (Neil Carmichael) and for Tiverton and Honiton (Neil Parish) regarding the impact of floods on agricultural land and concerns about food security. Those concerns, which have been raised in relation to coastal erosion issues and coastal erosion flood risk management, are absolutely at the top of DEFRA's priorities. I reassure hon. Members that the impact of flood management and coastal erosion on farmland will remain an important consideration. However, food security is principally about availability, affordability and access to nutritious and sustainably produced food, rather than having an absolute foot-by-foot, acre-by-acre, hectare-by-hectare analysis of what could be produced here and there. Although the matter is an absolute priority for DEFRA, domestic production and a healthy rural economy are also important. Concerns will need to be reconciled with the need to protect people and property.

The hon. Member for Copeland asked whether we have a level playing field between urban and rural communities and mentioned the impact on agricultural land. Flood funding is allocated on a case-by-case basis and each case has to stand on its own merits. In the floods of 2007, there were damages worth more than £3.7 billion. Approximately 4% of that was in agriculture. I am not diminishing the impact on agriculture—I am a farmer and I represent a rural constituency, and we want to protect farmland for all the reasons that I have just stated—but we also want to protect people and property. That is a balance that Governments down the ages have had to make and we will not shy away from doing so. However, it is important that we get it right and that we are fair by people and by the properties in which they live. We also recognise the important contribution that farmers make to our rural life, to our economy and to the very important points I made about food security.

Mr Graham Stuart: At the moment, the benefit-cost ratio gives a weighting to deprivation. That tends to favour urban over rural, as does the application of population density. Is there really a role for deprivation in the allocation of flood defence funding?

Richard Benyon: I think there is, and I will tell my hon. Friend why. I can only speak about this in generalities. My hon. Friend must forgive me if, in doing so, I make it harder for him to apply this, in his mind, across certain communities. We all know that in certain communities, there is a terrific local capacity to take these problems head on. I have communities in which hydrologists live. I have communities that have been flooded where there are water engineers. I have communities flooded where there are people with enormous resources, both financial and intellectual. We have seen communities all around the country with the capacity to put together a partnership funding stream that can work overnight, almost, in terms of flooding schemes. There are other communities where there is not that capacity. That is

not to diminish the people who live there at all; they just do not have that capacity. We have to have a system that is mindful that some communities need more help than others.

Mr Reed: On that point, may I put on the record the fact that all of us acknowledge that there is still—I know that the hon. Member for Beverley and Holderness (Mr Stuart) would not want to give the opposite impression, far from it—real deprivation in rural England and Wales as well?

Richard Benyon: Of course I acknowledge that; I was coming on to talk about it. Possibly through the unguarded way in which I was talking about affordability in the south-west, I may have—heaven forbid—given the impression that I thought that people in the south-west were all millionaires. Of course I do not think that. I am fully aware of the profile of rural life across the south-west and across other parts of the country. The hon. Gentleman is absolutely right—there is deprivation in rural areas as well.

Barry Gardiner: Just to add to the Minister's caution around the question of deprivation, so much of social housing in the past 25 years has been built in areas that are subject to flood risk. The people who live in that housing had few housing options open to them. Through being on housing lists, they were forced into that accommodation. They are particularly exposed to those risks, in ways which people who have the financial ability to choose where they live are not. For that specific reason, it is important that deprivation is taken into account.

Richard Benyon: The hon. Gentleman is right, and that relates to the issue of insurance as well. I have been taking forward one measure. Housing associations or council-owned housing stock offer an opt-in scheme on contents insurance. I believe strongly that we should encourage people to do an opt-out scheme. Fifty pence a week can give you £5,000 worth of contents insurance. People would be more likely to have that if it were an opt-out scheme. There is so much that we can do to protect.

Mr Graham Stuart: Will my hon. Friend give way?

Richard Benyon: I am conscious of the time. I will if it is a very quick intervention, and then I must make some progress.

Mr Stuart: I am grateful. The Minister talked about capacity in areas. Through him, may I congratulate Ron Smith and Burstwick United, who worked through early difficulties to forge a big society partnership with the Environment Agency to protect the village? The Minister has been invited to come and open the scheme. There are farmers storing the pumps. We have others manning the pumps. Will he confirm today that he will come to Burstwick and celebrate that community's response to the floods in 2007?

Richard Benyon: I have developed a habit of agreeing, if any colleague asks me, to go to any part of the country at any time and it causes the people who work in my office palpitations. However, I can assure my hon. Friend that I would very much like to see precisely such schemes where there is flood watch—rather like neighbourhood watch—and where people work together to protect the vulnerable. There are fantastic examples of that around the country. I would be delighted to see that scheme at some stage.

May I quickly address the points that hon. Members have made? The Chair of the Environment, Food and Rural Affairs Committee, my hon. Friend the Member for Thirsk and Malton, made the point, eloquently made by the NFU, that we should not treat farmers as the providers of free storage of floodwater. We take the contribution that landowners and farmers make towards flood schemes very seriously.

My hon. Friend talked about internal drainage boards. Of course, many members of those boards are members of the farming community. They are also members of the local authorities and members of the community and we value bottom-up community engagement. I am a huge admirer of internal drainage boards. They do fantastic work. I had a meeting this week with IDBs from Lincolnshire to understand how they are coping with the extraordinary challenges they have in that area; so much of it is under sea level. The work that they do is enormous. I want to ensure that the Environment Agency works with IDBs to ensure that watercourses are open and flowing, and that everything is at the standard it should be.

I want to see more of what I saw in the constituency of my hon. Friend the Member for Suffolk Coastal (Dr Coffey). When I went there a few weeks after I started this job, I did something quite by accident—it was organised by my officials. However, it seemed like a good way of doing government. I got into a car with the local MP, representatives of the local authority, the Country Land and Business Association, the NFU, the Environment Agency and Natural England and locked the door. We drove down, looked at certain features and discussed the problems. When I went back there, I discovered that a different attitude prevailed. The Environment Agency had adopted a "yes, if" approach. Now, one telephone call results in action being taken. My hon. Friend the Member for Witham (Priti Patel) must work as much as she can with me, and with her neighbours in Suffolk, to try to create a Total Environment scheme, and pool activity—and sometimes pool money—to ensure that we can make a similar attitude prevail in her part of the world. It is really exciting to see it working; it means that we have a responsive system.

I have discussed the issue of SUDS. My hon. Friend the Member for Thirsk and Malton talked about the impact of the natural environment White Paper, the water White Paper and the timing. I can assure her that we have made a very serious pitch to ensure that there is adequate time in the next Session. I very much hope that we will get that, because important measures will come out in the water White Paper that will need a legislative approach.

My hon. Friend, not surprisingly, raised the issue of Pickering and is right to do so. That is an important issue for her and her constituents. I can assure her that we understand the urgency of her constituents' concerns. We are working extremely closely to make sure that we meet local concerns about the shelving of the scheme, understand the impact of the Reservoirs Act 1975, and

[Richard Benyon]

discover whether we can find alternatives that are cost-effective and which can be brought forward as quickly as possible.

My hon. Friend talked about the problem of over-engineered projects. The Environment Agency's schemes meet the highest industry standards. They are designed to ensure optimum levels of protection and give an average return on investment of seven to one. There are occasions when we can sit and work out whether we need a Rolls-Royce solution, or whether we can actually make do with a reasonably priced family car solution. I can assure her that we are open to all suggestions and that her concerns are being taken forward.

My hon. Friend made a point about local authorities' finance for flood and coastal erosion risk management. I can reassure her that the money we have put in has ensured good flood and coastal erosion risk management strategies from the local authorities. All have submitted strategies except one—I will not say which one, but it is not represented by anyone present in the Chamber. We provided the funding, and it is important for the work to be carried forward.

I shall come on to insurance in a minute, but in the five minutes I have left I must also deal with the points made by other hon. Members. The hon. Member for Llanelli (Nia Griffith) raised the issue of planning and building on floodplains. The Environment Agency—in England, obviously—takes the matter absolutely seriously and gives strict advice on planning applications as they are made, and I will ensure that that continues. The Pitt review is unequivocal on that and we must follow its important recommendations.

My hon. Friend the Member for Stroud raised the issue of the Severn estuary shoreline management plan. I recognise that that is an area where things were not got right, and we want to ensure that we do get them right. I am working closely with him, other colleagues from that area and the Environment Agency. I had a meeting with them this week and I want to make sure that we share information with local farmers on a consultative basis. We are talking about something not for tomorrow but for 20, 30, 40 or 50 years' time. We must have a plan in place that is understood and that people are consulted on—I assure him that I will ensure that we do that. He eloquently set out the challenges that face us as we tackle the problems, and we will carry that forward.

The hon. Member for Brent North talked about funding, as did the hon. Member for Copeland. I do not want to enter a sterile debate. They know that, if we compare the previous period of the Labour Administration with the current four years, the reduction is 8%. They also know that massive cuts were announced by the then Chancellor just before the election. We could get into that debate about where we are and where we are going. However, I can assure them and the House that we have fought and protected our budget in a way that was out of all proportion to the spending restraint that we have achieved throughout the Department and the Government. The priority goes right to the top of this Government, and we will ensure that it works. With the efficiencies that we are getting out of the Environment Agency, we will be able to achieve our aims of protecting 145,000 homes, and I remain optimistic that we can do better.

Barry Gardiner: Will the Minister give way?

Richard Benyon: I apologise, but I really cannot, because I do not have much time left.

The statement of principles was mentioned by a great many hon. Members. We are working hard with the insurance industry and all relevant parties. A number of hon. Members, including the Chair of the Select Committee, came to our flood summit, out of which came three working parties, which will look at the financial risks from flooding, data provision, transparency and sharing, and the customer experience of resilience to flooding. We had a meeting with the Secretary of State to follow up that work, which we are progressing, and we will come forward with the solutions in the early part of next year—that is a real priority for the Department.

It is important to recognise that some houses that have insurance in name barely do so if we take the excess charges into account. We face a great many difficulties, but our understanding of flooding—in particular we have a greater understanding of surface water flooding—is starting to pay dividends. We can now get a picture, almost house by house, of where risk starts and finishes, and of what we can do. Sometimes the risk can be alleviated merely by putting a row of bricks on top of a wall or by blocking an entrance or configuring it differently, but we must make certain that all our plans are joined up. Our desire to protect the natural environment, which is strong, does not mean that we are flooding homes because we are not thinking of things in an holistic and joined-up way. All agencies are seized of that, and I will continue to drive it.

I am rather concerned by the eponymous nature of some of the proposals and the optimistic view that people might have of my abilities. I hesitate to take credit for so much that has been thrown at me, because it has been a team effort. I pay tribute to how the Environment Agency is approaching this important issue, although I can assure hon. Members that I work closely with it.

DEFRA has spent a lot of money on equipping emergency services and other organisations with training and equipment to deal with flood. The hon. Member for Hayes and Harlington (John McDonnell) raised the issue of a statutory duty, but that is one of the few areas of the Pitt review that we have not taken forward. We have an open mind about it but, having said that, I cannot see why it makes a difference for a fire and rescue service to have a statutory duty. Every fire and rescue service that I have spoken to, and I have spoken to a lot, has done wonderful work when dealing with flood. We are equipping them and we are training. I am happy to talk to the hon. Gentleman with an open mind about whether a statutory duty would make a difference—the wording in the Pitt review is "as necessary". Sir Ken Knight, the chief fire officer, has come forward with some proposals, and I would not mind discussing them with the hon. Gentleman in a less formal way, to see whether we can find a solution that satisfies everyone.

My hon. Friend the Member for Tewkesbury (Mr Robertson) and other hon. Members made important comments and gave moving descriptions of flooding in their areas—descriptions I recognise from flooding in my own constituency. I hope that hon. Members from the south-west were pleased with the Chancellor's words in the Budget, which showed a real commitment to deal

with the unfairness that they so accurately feel on behalf of their constituents. I assure them that we are following through on that.

The hon. Member for Copeland made many important points. He talked about whether we were taking an holistic enough view and dealing with the problems upstream. He was absolutely right to say that. It is important that water companies, farmers, landowners, local authorities and the Environment Agency ensure that we use the natural environment where we can to prevent flooding further down.

We will not spook the investor when we come to reform of the water industry. We recognise that around £100 billion has been spent by investors in the water industry in the past 20 years, and we want to see much more of that.

With those remarks, I would like to leave some time for the Chair of the Select Committee.

5.27 pm

Miss McIntosh: I welcome you to the Chair, Mrs Main.

The report was very much a team effort on the part of the Committee, and it was a very good choice to allow us to debate it. The debate has shown the breadth of support geographically and among the many hon. Members present. The conclusion is that much has been done but there is still much to do.

I hope that the Minister will extend the "yes, if" to the gross inconsistency at the heart of Government policy on reservoirs and reservoir safety. That absolute inconsistency must be addressed, in particular if farmers want to use reservoirs for storage, instead of abstraction, which a number of hon. Members might wish to explore. I hope that that will be reviewed.

I welcome the positive comments from the Minister on the role of internal drainage boards in maintenance. If we want an example of the big society, we need look no further.

I am minded to support the hon. Member for Hayes and Harlington (John McDonnell) about the lack of a statutory duty. I have tracked the issue for some time, and we must remember that a young man was killed in Hull because all the emergency services that came, in succession, simply did not have the equipment. In sorrow more than anger, everyone turned to the fire crew to cut that young man to safety, but he died of hypothermia. The reason why the statutory duty is so important is that the money will follow the duty. If we cannot provide that, there will be further deaths, which would be most regrettable.

The insurance issues are time-framed. On planning, we need clear guidance as to how building on floodplains lies with the new national policy framework, but there are many challenges ahead. The Minister singularly failed to give us a date for the water Bill, but we look forward to the water White Paper. On a positive note, I add that we have had a good discussion this afternoon. The Minister is aware of the work that needs to be done, and we are there to support him in any way possible.

Question put and agreed to.

5.29 pm

Sitting adjourned.

Westminster Hall

Tuesday 13 September 2011

[MR MIKE HANCOCK *in the Chair*]

Tourism in Yorkshire

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Goodwill.)*

9.30 am

Nigel Adams (Selby and Ainsty) (Con): I thank the Minister for attending this debate, which is important for the Yorkshire region. I also thank my Yorkshire colleagues for getting up early this morning for a debate on an industry that means so much to our great county.

The tourism industry is a rare wealth generator for this country and one of our most important industries. The variety and history of our landmarks, monuments, countryside and culture are powerful magnets for visitors from all over the world. Important events such as next year's Olympics will continue to contribute greatly to putting Britain firmly at centre stage, globally.

A little more than a year ago, the Prime Minister gave a speech on the importance of tourism in the UK and launched the first ever tourism policy in this country. That landmark policy set out targets for attracting 4 million extra visitors to Britain over the next four years and is backed by £100 million-worth of marketing campaigns. Along with that increase in visitor numbers, the policy aims to increase the proportion of UK residents who holiday in the UK to match that of those who choose to holiday abroad each year.

This country has some of the most spectacular and wide-ranging scenery and holiday destinations, most particularly—I am sure those present will all agree—in Yorkshire, God's own county. It is important that we encourage the British people to make the most of what they have on their doorstep.

Greg Mulholland (Leeds North West) (LD): I thank my hon. Friend and Yorkshire colleague. He will be pleased to know that I was happy once again to take my family to Yorkshire on our summer holiday. I apologise to him and to you, Mr Hancock, because I have to leave for an equally important event for Yorkshire: it is the launch of the Leeds city region bid for the green investment bank—something that colleagues will also support.

My hon. Friend is right about the offering that Yorkshire has, with two national parks, some of the finest coast in the country and a host of attractions. I pay tribute to the wonderful and important work that Welcome to Yorkshire does in promotion. I ask the tourism Minister not only to be a champion for tourism in this country, which I am sure he will be, but to ensure that he speaks to his colleagues in the Treasury—

Mr Mike Hancock (in the Chair): Order. You are pushing your luck; this is an intervention, not a speech. You have apologised for having to leave, so ask your question and then we will move on.

Greg Mulholland: Thank you, Mr Hancock. I am asking my question now. Can the Minister, in his discussions with the Treasury, ensure that sustainable development cannot include the deliberate closure of pubs and other community assets, which are enormously important to the whole of Yorkshire? People are cashing in those assets for the one fast buck of development, but that is not sustainable development.

Mr Mike Hancock (in the Chair): That is not a precedent for anyone else. Mr Mulholland, I think you owe the House apologies for that; it was an intervention, not a Member's speech or a speech in lieu because you had to leave. May we bear that in mind for future reference?

Nigel Adams: I appreciated that intervention, despite its length. I echo what my hon. Friend the Member for Leeds North West (Greg Mulholland) said about pubs—I am a fellow member of the all-party save the pub group. The point that he made is incredibly important.

Not only is this country well worth a visit, but the tourism industry is vital to our economy, and the 200,000 businesses directly involved are key contributors to Britain's economic recovery. They provide £52 billion of our gross domestic product and 4.4% of our jobs, and they have contributed to making tourism one of the fastest growing sectors, providing employment in our most rural communities and enjoyment to millions. The industry accounts for almost £90 billion in direct spending each year and, equally importantly, it rises above north-south or regional divides and creates wealth and employment in all parts of the country. It remains a fantastic, cost-effective way to rebalance the fortunes of the country away from past reliance on financial services, construction and the south-east.

I turn to tourism in Yorkshire. As I am sure we are all aware, Yorkshire is England's largest county, with a population of 5.5 million—equal to that of Scotland and twice that of Wales. Tourism is the county's third largest industry and continues to support a quarter of a million jobs and more than 25,000 businesses, many of which are in rural and coastal areas that depend solely on visitors for their livelihoods. I am pleased to see Members representing coastal areas in the Chamber today.

All my Yorkshire colleagues present today are well acquainted with the county's official destination management organisation, which is called Welcome to Yorkshire. I am delighted to see the senior management team of Welcome to Yorkshire, who are—by sheer coincidence—in the Chamber today. The organisation is widely heralded as a national success story that has transformed the UK tourism landscape. I confess to being, in a previous life, a director of its predecessor, the Yorkshire Tourist Board. What now exists is a completely different beast; Welcome to Yorkshire is doing a fantastic job.

Neil Carmichael (Stroud) (Con): Yesterday, I launched the Stroud special train, which is designed to pick people up from Paddington and take them to Stroud and, obviously, Gloucestershire. The train will run every day, with cheap tickets and advice on what people can and should do once they reach their destination. It seems to have caught the imagination of people in

[Neil Carmichael]

Stroud and the rest of Gloucestershire. Does my hon. Friend think that that kind of thing should be done for Yorkshire? Can he not imagine trains going from King's Cross to Yorkshire, with the same sort of promotion, tickets and, effectively, navigation of people to the right place?

Nigel Adams: That is an excellent example. Yorkshire is fortunate to have a good railway service to and from London, but I am sure that the railways Minister might be interested in a similar proposal that involves taking advantage of the high-speed rail network in a few years' time—such a train could be up in Yorkshire within several minutes, I imagine. The Stroud train is a great initiative and, although we are well served in Yorkshire, it is certainly something we could take on board.

Since Welcome to Yorkshire was launched in 2009, the value of Yorkshire's tourism has increased from £5.9 billion to £7 billion, adding more than £1 billion to the economy. Its role is to change perceptions of Yorkshire, by projecting a new, dynamic and vibrant county sitting alongside its tradition, history and natural beauty. The Welcome to Yorkshire gates at King's Cross station fill me with great pride every Monday morning when I arrive in London, reminding everyone that they would surely rather be spending their time in Yorkshire than London.

It goes without saying that Yorkshire is awash with tourism assets, which are the envy of the nation. I do not mean to upset any of my Yorkshire colleagues, but I am sure that they will allow me to mention a handful and that they will put me right if I miss a few. We are lucky enough to host, in the constituency of my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), the world's oldest and greatest cricket festival, at Scarborough. We have two world heritage sites, Studley Royal and Fountains abbey, and Sir Titus Salt's vision at Saltaire.

We have some fantastic churches, abbeys, minsters and cathedrals—none finer than Selby abbey in my own constituency. The weekend before last, I visited a fantastic small church in the village of Birkin in my constituency, a Norman church which has lasted for all those centuries and is an absolute gem, and a great potential tourist destination. Hopefully, it will not be blighted by the proposed wind farm adjacent to it.

Other great examples of what we have in Yorkshire are UNESCO's first and only world city of film, Bradford, and six national museums. Yorkshire is arguably the food larder of Europe, and we have 190 independent breweries, which many of us are doing our best to ensure that we visit in the course of this Parliament. We have the seventh most visited attraction in the UK in Flamingo Land. We have more blue plaque awards for quality beaches than any other county, and the world's No. 1 heritage railway—North Yorkshire Moors railway—which was featured in ITV's "Heartbeat" and in Harry Potter movies. I could go on.

Our destination management organisation has revolutionised the approach of the UK's tourism industry as a whole by raising standards and redefining the role of traditional tourist agencies. Its return on investment is impressive, with £40 delivered to the local economy for every £1 invested in the organisation, £18 of which goes back to the Treasury in tax receipts. There is not much not to like about that; it is a great return on investment.

The tourism policy's aim is to attract greater numbers of visitors over the next four years, and Welcome to Yorkshire has become an innovative international ambassador, tirelessly promoting Britain and, of course, Yorkshire, as leading tourism destinations. It has even been suggested that, within the tourism policy, Yorkshire has become an attack brand, capable of rivalling London as a super-destination for international visitors—although we do not want to stir up too much rivalry.

According to independent research from Visit England, we are succeeding in the role of encouraging more people to visit Yorkshire, to stay longer, and to spend more. In the first quarter of 2011, visits to Yorkshire were up 14% on the same period last year, compared with just a 5% increase throughout the UK as a whole. During the same period, length of stay increased by 15% in Yorkshire, compared with a 2% decrease nationally. Yorkshire also experienced a 25% growth in visitor spend, compared with just 5% for the UK, with overseas spending at 70%, compared with a 7% expenditure increase in the UK overall. In the two years since Welcome to Yorkshire was launched, 4,000 new jobs have been created in the tourism industry in Yorkshire. I have listed many figures, but they are impressive and worth mentioning.

The organisation has won numerous awards, including the world's leading marketing campaign and Europe's leading marketing campaign, and has been shortlisted for status as the world's leading tourist board 2011; I believe that it is England's only representative, and it is up against the likes of Malaysia, the Maldives and New York. We wish it well with that award. However, the progress and success of Yorkshire's tourist industry is now at risk.

When Welcome to Yorkshire was launched, it had funding of £10 million a year for three years, but that funding stream ends on 1 April 2012. When it ceases, in just over seven months, its resources will be vastly reduced, leaving it to be funded through a cocktail of revenue streams, including strong private sector support from several thousand businesses that partner the organisation, local authorities and the newly created local enterprise partnerships.

Those new methods of funding are concurrent with the tourism policy's stated aims for tourism bodies to be less reliant on public funds, and more locally responsive. I support that. It seems all very well, self-sufficient and in order, until one discovers that Visit Scotland received £66 million in funding in 2009-10, the majority of which came from Westminster. As I pointed out, the populations of Yorkshire and Scotland are the same, with similar sized tourism industries, employing 240,000 people in Scotland and 254,000 in Yorkshire, yet Scotland received six times more funding than Yorkshire in that financial year.

When centralised funding ceases on 1 April 2012, Visit Scotland will continue to receive funding from Westminster, but England's largest county will receive nothing. If we are successfully to rebalance the UK economy, as we all know we must, it is clear that some central funding, not necessarily at the same level as in Scotland, is needed in England for super-destinations

such as Yorkshire, which the Government have already identified. I urge the Minister to consider that in great detail.

Mr Gerry Sutcliffe (Bradford South) (Lab): I congratulate my hon. Friend on securing this debate. He is rightly making the point that tourism is important to local economies, particularly in cities such as Bradford, as is the investment that comes to Bradford from tourism, whether in Haworth or the variety of other assets that we have, and which I will talk about later. Should not the Government recognise that if that funding ceases, and Welcome to Yorkshire does not succeed, local economies such as Bradford will be affected?

Nigel Adams: My hon. Friend makes a good point. The days of going cap in hand to the Government, and of organisations such as Welcome to Yorkshire being funded totally from the public purse, are gone, and rightly so, but we must be mindful of the impact of complete cessation of funding. That is the point that I want to raise with the Minister, and I have another suggestion for a way of squaring the circle. The Government's tourism policy has identified Yorkshire as one of a few elite areas capable of being an internationally attractive super-destination, with pulling power alongside the likes of the Cotswolds, Cornwall, the Peak district and the Lake district. The risk is that, without continuing funding, Yorkshire may no longer be able to keep up.

One idea being bounced around and discussed is that the Government should match-fund the private sector membership of England's attack brands over a minimum subscription level of £1 million; Welcome to Yorkshire is capable of extracting money from the private sector—from industry in Yorkshire. That would be extremely cost-effective in helping to fulfil the Government's goal of rebalancing the economy geographically, investing in the success of areas that they have identified as being examples of excellence in UK tourism and helping to increase a major local and national industry, safeguarding jobs and generating additional wealth.

I welcome the Secretary of State's recent announcement that £3 million will be made available for tourism in connection with the Olympic games, and I am keen to hear from the Minister how much money Yorkshire is likely to receive from that £3 million. Continued support of our leading tourism agencies will also help the Government to achieve their three stated aims of attracting more visitors to Britain, increasing the number of Britons who holiday at home, and improving the sector's competitiveness and efficiency.

I realise that I am biased towards Yorkshire, as are many of my colleagues. I am Yorkshire born and bred, and I urge the Minister to look at the facts and figures that I have mentioned, all of which prove that Yorkshire is a worthy investment—not only for our visitors' time, but for the national economy.

9.48 am

Mr Gerry Sutcliffe (Bradford South) (Lab): I am grateful to my Friend the hon. Member for Selby and Ainsty (Nigel Adams) for raising this important debate. I am delighted that members of Welcome to Yorkshire are in the Chamber and that parliamentary colleagues from all parties are united in saying how wonderful Yorkshire is. I say that as a Lancastrian. By an accident of birth, I was born in Salford, but I have lived and worked in Yorkshire all my life, and was educated there, so I hope that that will not be held against me. I fully understand the importance of the tourism industry to Yorkshire, and during my intervention on my hon. Friend I referred to the importance of tourism to economies such as Bradford.

Welcome to Yorkshire and its predecessors have brought people together. In the past, tourism involved competing city against city, area against area. The good news is that Welcome to Yorkshire has brought the whole of Yorkshire together, and collectively its assets and other fantastic attractions, such as culture, sport and recreation, have been packaged together. It fills me with pride whenever I watch adverts about Yorkshire, wherever I am in the UK or indeed the world. Welcome to Yorkshire has united the county to ensure that we maximise what we can from the tourism industry.

The hon. Member for Selby and Ainsty discussed Yorkshire's various assets, and I could go on at length about the wonders of Bradford. He mentioned Sir Titus Salt's village, Saltaire. It has a festival this week, and people will be coming from all over the UK to enjoy its benefits and delights, not least the Saltaire brewery. Talking about breweries was a noble attempt by the hon. Gentleman to encourage us to go to as many as possible during the lifetime of this Parliament. I will try to help him, not least by visiting the Timothy Taylor brewery in Keighley, which is world famous for its bitter and other delights. It is a brewery, and it employs people.

Yorkshire has breweries but also culture, and it is amazing what Yorkshire has produced in terms of film, culture and arts. Last week saw the launch of the film "Jane Eyre", and I understand that a remake of "Wuthering Heights" is due to be released shortly. That shows the impact of Yorkshire. Behind those films are the great delights and wonders of the Bronte family at Haworth, but jobs are connected to those great assets.

We have mentioned breweries and culture. As a former Sports Minister, I wish to talk about sport in Yorkshire. It is fantastic that we have got the Olympics, and it is great to see the Minister, and the shadow Minister my hon. Friend the Member for Ashfield (Gloria De Piero), in the Chamber today. We will have the delights of the Olympics next year; there are training camps in Yorkshire, which is fantastic and will boost the economy. Young people will draw benefits from having international athletes in our community.

Sport is important in many other regards. Yorkshire has nine great race courses, which is more than any other county. The race course at York is the jewel in the crown with the one at Doncaster not far behind, but people also enjoy the smaller courses such as those at Wetherby and Ripon. Those assets are important, and Welcome to Yorkshire has increased its spend in Yorkshire and brought people together.

The hon. Gentleman is right to say that the days of handouts are gone, but the Government must recognise how important it is that organisations such as Welcome to Yorkshire continue to operate. We must encourage more people from the private sector and more individuals to become members of Welcome to Yorkshire and to join the crusade of extolling the virtues of Yorkshire. The Government have a role to play not only at national level, but at local level, and we must keep the momentum

[Mr Gerry Sutcliffe]

going. Those who support Welcome to Yorkshire do a fantastic job, and we must ensure that people are behind them.

I hope that the Government will listen to the hon. Gentleman's comments about the possibility of matching funding and about whether there are other ways we can be creative. As I have said, in cities such as Bradford the tourism industry is perhaps akin to the engineering and textile industries in the past—tourism is a key player in the city's regeneration. Bradford has a diverse population, and we have the opportunity to enjoy wonderful international cuisine. We are proud of the curry run in Bradford, and people can come for the weekend and enjoy the flavours of Asia.

Bradford has been called "The World in a City" because of the make-up and diversity of its population. That developed over centuries and is based on the wool capital of the north that Bradford once was. I know that the Minister, and the shadow Minister, will recognise the importance of the tourism industry, not only in terms of the beautiful and wonderful things that we see in Yorkshire, but because of the impact that has on our economy. I would be worried if organisations such as Welcome to Yorkshire were not supported by the Government and others, and this morning's debate provides a wonderful opportunity for us to state our thanks to Welcome for Yorkshire for the work it does in the region. I hope that the Minister and the shadow Minister will do what they can to ensure that the momentum that has started will continue.

9.54 am

Andrew Jones (Harrogate and Knaresborough) (Con): May I start by congratulating my hon. Friend the Member for Selby and Ainsty (Nigel Adams) on securing this debate? Tourism is an important issue in Yorkshire, and it has been important for me during my career. I spent many years working in the tourism sector, first running the marketing team at Going Places, and more recently on the board of Harrogate International Centre. Tourism is a critical part of our local economy, and it is a sector that drives our economic growth. It is the third biggest sector in the county as a whole, and it is the biggest sector of the economy for my part of the county, North Yorkshire. Overall, the industry employs 250,000 people and accounts for just less than 10% of our economy. There is an enormous scale to our tourism industry.

Tourism is a marvellous success story. Visitor numbers are up by 12% this year, which vastly outperforms other parts of the country even when building on high levels of visitors in the first place. I read that we have about 215 million visits to Yorkshire every year, which is more than to Disney worldwide, so the scale is significant. I want to say why the tourism sector in Yorkshire is doing so well, mention a little about the business tourism sector, which is often ignored, and comment on where we might perform a little better.

There are a number of reasons for the encouragingly strong performance by Yorkshire, but the main reason is the quality and variety of the tourism offer. The product is excellent, but it is not a single product and the key is in its variety and choice. Yorkshire delivers a world-class offer in many different sectors of the tourism industry. From family holidays to short breaks, no destination can better match the heady mixture of landscape and heritage offered by Yorkshire. Underpinning much of that is the stunning natural landscape. Yorkshire men often refer to our county as "God's county". I have occasionally had a bit of a joke or banter about that with tourism Ministers in the past, but we continue to refer to Yorkshire as God's county because it is.

Last week, Mintel's annual British lifestyles survey rated Yorkshire as the happiest place to live in the UK. Yorkshire men and women are more satisfied with their lives than people in any other part of the country, and one reason for that is the abundance of open spaces. The range of accommodation and hospitality available in our county has breadth and quality. Visitors can be catered for in different styles and to different budgets, and the product is very good. It is not possible to drive an industry if the product is poor.

The tourism sector has had a strong product for some years, so what is driving growth and causing visitor numbers to accelerate? I think that it is the combined effort by the industry and the way in which the county has set about selling itself. We saw a change some years ago with the move from marketing campaigns based on destinations, where towns and cities marketed themselves, to more co-ordinated campaigns based on the types of holiday and break available. That is a more customer-driven approach that shows fantastic insight and has been a practical way forward. It has meant the promotion of heritage, art, sport, spa breaks or whatever type of holiday people are looking for. I say sport with a heavy heart, because yesterday Yorkshire county cricket club was relegated. [Hon. Members: " Shame".] It is a shame, but I cannot really say any more about that.

That change in the tourism industry has proved extremely successful and combined with the great efforts made to improve the offer available and create new products. Tourism entrepreneurs are bringing new developments to market. Around the Harrogate and Knaresborough area alone, we are seeing new rooms and a spa at Rudding Park hotel, a new golf resort is planned at Flaxby, Harrogate's Turkish baths have recently been refurbished, and we have the Royal Horticultural Society's Harlow Carr garden and its successful partnership with Bettys tea rooms. Across the county there is ongoing investment in some of our major stately homes, such as Harewood house and Castle Howard, a location that my hon. Friend the Member for Selby and Ainsty will know well as he used to live about a mile away from it.

There are efforts to keep what Yorkshire offers live, fresh and new. People will have read recently about aspirations to bring the opening stages of the 2016 Tour de France to Yorkshire, and to host the British leg of the World Rally Championships. Aspirations are high. Underpinning all that, however, must be a culture of service. A holiday destination is not only about product but about the service offered by individuals. That is firmly understood. In Yorkshire, there is always friendly service and a welcoming approach.

There has been a recognition that the area must compete and win as a whole. Community groups and local authorities have been playing a major role. The excellent work of the In Bloom teams, which I support locally, makes our communities not only better places in which to live, but better places for visitors. The

Harrogate In Bloom team and their partnership with the borough council's very good parks department play a critical role in making Harrogate Britain's premier floral town.

The improvements in Waterside in Knaresborough, driven by the Renaissance Knaresborough group, have improved the walk and the views of the river, the castle and the crag. That iconic Yorkshire view has been much improved.

My point is that we are seeing growth coming from a quality product, good service, an entrepreneurial spirit and effective partnership working, but also from the entrepreneurial vigour with which that is sold. At this stage, I join the praise for Welcome to Yorkshire. The whole team, under the dynamic leadership of Gary Verity, has displayed professionalism and zeal and has really made a difference. It is good to see some of the team in the Public Gallery today.

There is one part of our tourism industry that does not receive as much attention but that can be an important driver of business growth—business tourism. There are huge overlaps between leisure and business tourism. From my experience in Harrogate, I know that visitors who come for conferences often return to the county later for leisure breaks, too. However, that is a different market and, at the moment, it is a troublesome market that has obviously been affected by current economic conditions. As I have said, I was on the board of the Harrogate International Centre. That conference centre brings to the area 300,000 visitors and £150 million of spend and supports more than 5,000 jobs, so business tourism is clearly a major player in my constituency. It has been a success story, irrespective of the current trading difficulties. The drivers of success in that field are, again, investment and partnership working.

I will share a couple of examples to make my point. Investment in new facilities is fundamental. People have to keep their offer up-to-date, relevant and attractive, because many new entrants are challenging for business in the marketplace. In Harrogate at the moment, there is a £13 million scheme to build new exhibition halls. I look forward to that scheme coming online next year, as it will be a significant addition to the offer. I have been very involved in making that deal happen, which will be a huge tonic for our conference industry.

Mr Greg Knight (East Yorkshire) (Con): Does my hon. Friend agree that sometimes local authorities could do more in encouraging business tourism, because one of the problems that most businesses face when organising a conference is lack of parking spaces? If we are to encourage more businesses and more business conferences to come to Yorkshire, we need to ensure that there is adequate car parking near any exhibition centre that may be operating.

Andrew Jones: I agree with my right hon. Friend. Ensuring that the offer is welcoming to visitors is critical. All local authorities should have that in mind all the time. Parking facilities are necessarily an important part of that, but so are other means of transport, too. Local authorities should be working together to secure better parking provision, and they should lobby Ministers and the Highways Agency for improvements in the road and rail networks. I strongly agree with my right hon. Friend's point.

I was recently at the opening of a trade show, the home and gift show, in the Harrogate International Centre. The organisers told me that they would use the new facility, but I have also spoken to many delegates, who have commented on the importance of transport connections to the decision about where to locate a conference.

The biggest single show in Yorkshire is a mixture of business and leisure. The Great Yorkshire show, organised by the Yorkshire Agricultural Society, is a magnificent event. It has bucked the trend in agricultural shows by going from strength to strength. Indeed, this year it was just four visitors off its record attendance, so if the Minister had been able to visit God's county for the show and brought his family, we would have had a record! He should take that as a standing invitation. If he can come up to future events, I will be delighted to provide him with tickets—I would happily buy those. I hope that we can enjoy attending such an event in due course.

There is a strong partnership that helps to promote business tourism in my area. Called Destination Harrogate, it is an association of the leading hotels, which work with the conference centre, the local council and the media to bring business to Harrogate. I support its work, which has been excellent, but there is one example of partnership working that I want to draw to everyone's attention—the Harrogate hospitality and tourism awards. Those awards are all about celebrating success and outstanding service. It is right to recognise and reward what makes a difference to customers. The awards are used by a variety of local players to showcase their offer to visitors and to build relationships.

I am conscious that I am describing the factors involved in making a successful sector even more successful, but it is not without its problems. Other hon. Members have spoken about funding. I want to highlight a feature that the industry is talking about a lot at the moment—a potential subsidy being paid by local councils to conference organisers to bring their conference to a venue. The team at the Harrogate conference centre think that that is a major factor in the market and have questioned whether it is appropriate for local councils to use council tax or Government grants in that way. I am not sure whether that is classed as state aid, so its legality might be questionable. The issue needs to be explored.

One factor that is a key challenge for the future of our industry is the transport infrastructure. There are 220 trains a day from London to Yorkshire, but we certainly have room for improvement. As a region, we have not enjoyed the same long-term investment in transport as other regions, but I can say to the people of Yorkshire that they have a new set of MPs, who are working together to address that issue. I have been working with the chamber of trade and commerce in Harrogate to secure better rail connections. We have secured our first direct London-to-Harrogate service in 20 years and are now working on a scheme of improvements to the Leeds, Harrogate and York line. I applaud the work done by the chamber of trade and commerce.

A major problem is our lack of air links. Direct links to Heathrow or Gatwick do not exist. We need connecting flights, but we do not have them. That is a factor in our performance in the international business exhibition

[Andrew Jones]

market. Indeed, I think that transport is a reason why the UK underperforms in the huge international business exhibition market.

Overall, however, the tourism industry in Yorkshire is doing well. The reasons for that growth are quality products, new investment, excellent service, working together and good marketing. Those are sound ways in which to grow any industry for the future. The industry understands what drives it and is determined to make it even better. Indeed, there are lessons from Yorkshire that the rest of the country could learn. I hope that as a country we do learn them, because tourism could be at the heart of the economic recovery that we all need.

10.8 am

Julian Sturdy (York Outer) (Con): It is a pleasure to speak under your chairmanship again, Mr Hancock. It is also a great pleasure to speak in this debate. I congratulate my hon. Friend the Member for Selby and Ainsty (Nigel Adams) on securing a debate that is so important to our region. I echo the sentiments already expressed by fellow Yorkshire Members on both sides of the Chamber.

Tourism is a key economic driver across the Yorkshire region as a whole and to the city of York directly, creating 23,000 jobs in the city, generating £433 million for the local economy and promoting the many visible and, indeed, hidden treasures of God's own county to more than 7 million visitors a year.

As my hon. Friend the Member for Selby and Ainsty has said, the Prime Minister made a key speech in August 2010 about the importance of tourism to the UK economy. Tourism is worth at least £47 billion a year to the UK economy, with more than 1.7 million people employed in the sector at present. Throughout his speech, the Prime Minister admirably stressed the importance of a renewed focus on tourism and the need for Britain to break into the top five in the World Economic Forum's travel and tourism competitiveness ratings.

If Britain is to achieve that goal, a vibrant, growing and resilient tourism sector across Yorkshire will be crucial. However, too many people still automatically think of London when they think of British tourism. The capital is indeed a remarkable and historic place, and it is undoubtedly one of the greatest cities in the world—up there even with the great city of York. However, there is more to Britain than London, and if we are to boost the tourism sector, we need to boost our support for local tourism in regions across the country. With that, I pay tribute to Welcome to Yorkshire's success in our region, from innovative advertising to key partnership working.

My hon. Friend the Member for Selby and Ainsty has mentioned King's Cross station. Similarly, on the few times I fly into Manchester airport, I see the sign saying "Gateway to Yorkshire", which always lifts the heart of any Yorkshire man. I am sorry that the hon. Member for Bradford South (Mr Sutcliffe) has had to leave, but he is a keen Manchester United supporter, and he will have seen that sign many times.

As one of the two MPs for the city of York, I shall focus particularly on tourism in York. As many Yorkshire colleagues present will testify, York is a beautiful and historic city. It is situated on the banks of the River Ouse and surrounded by quaint villages and spectacular landscapes. From its Roman ruins and Viking remains to the industrial legacy of the National Railway museum and the jewel in the crown that is York minster, York is truly one of Europe's most inspirational and eye-catching destinations.

More than 1 million people a year walk on the city's historic walls. For a Yorkshire man or woman, it is almost a ritual to be walked over the walls by their father or grandfather as a young child. Originally designed to defend the city from attack, the walls now stand as a proud symbol of York's history and international standing.

The challenge for York, as for so many areas, is to compete in an increasingly tough tourism market during extremely difficult economic times. That is why regional partnership working, which my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones) has mentioned, is so important. York has already benefited from such partnership working, which brought about the refurbishment of the Yorkshire museum, which now receives record numbers of visitors.

Yorkshire racing and the Ebor festival are other examples. The hon. Member for Bradford South touched on Yorkshire racing, and Welcome to Yorkshire got involved in promoting racing across the region two years ago. This year, the numbers at the Ebor festival were up 16% on the back of record attendance figures last year. Some 360,000 people visited the race course last year—the highest number since racing started on the Knavesmire in York in 1761. Members should think of the impact those growth figures have on the economy of not only York but the wider region. Similarly, the production of "The Railway Children" in London lifted visitor numbers at the National Railway museum by 6%.

I welcome the Government's tourism strategy, which they published in March, and I agree with their three aims of launching a £100 million marketing campaign, increasing the proportion of UK residents holidaying in the UK and increasing the sector's productivity—no one can argue against those—but we must make sure that the money is channelled through the right areas to deliver the biggest impact.

I acknowledge the important role played by local authorities in promoting local tourism, and I congratulate the Minister on a policy that will incentivise local authorities to do more on that front. I hope reforming business rates revenue will ensure that local authorities reap the full rewards of their tourism strategies, rather than simply picking up the costs. Such incentives should drive City of York council to do even more to promote the city's tourism industry. I would, however, be interested to learn the Minister's thoughts on the role played by local enterprise partnerships in local tourism. How much responsibility for tourism are those new bodies expected to pick up in the coming years?

In his speech last August, the Prime Minister stated that

> "tourism is one of the missing pieces in the UK's economic strategy."

I agree wholeheartedly with those sentiments, and I would be grateful if the Minister were to provide an update on the Government's work internationally to promote tourism in Britain and specifically in Yorkshire.

Likewise, the creation of business-friendly conditions is key to supporting the tourism sector in cities such as York. Such conditions encourage entrepreneurship and support small local businesses, which are crucial to York's vibrant atmosphere. I would therefore be grateful for the Minister's thoughts on whether the Government are doing enough on that front.

I want briefly to mention the funding of Visit York. Visit York is having to apply for alternative funding, and one of its bids is being made to the regional growth fund via VisitEngland. Given that it faces budget cuts, I would be grateful if the Minister could advise it on how best to apply for funds elsewhere and if he could give us his thoughts on how partnership working across the region might drive economies of scale.

I appeal to the Government to retain their strong focus on tourism. The sector needs encouragement and reassurance. Cities such as York have much to offer, as long as enough support is provided during economically challenging times. As a result of the dynamic and innovative work of Welcome to Yorkshire and Visit York and the partnerships they have formed, the tourism industry in our region is in great heart. Those bodies have proved themselves great wealth creators in our region, and that must always be remembered in any funding formula. For that success to continue, however, we need a level playing field. In that respect, I support my hon. Friend the Member for Selby and Ainsty in his drive for matched funding for the tourism industry.

As I have mentioned, the city of York and our region have a magnificent story to tell visitors, but we, as representatives of our region, also play a role, in proudly talking about our beautiful, historic county and in promoting its many delights and attractions.

10.17 am

Gloria De Piero (Ashfield) (Lab): It is a pleasure to serve under your chairmanship, Mr Hancock. It is also a pleasure to respond on behalf of the Opposition. I congratulate the hon. Member for Selby and Ainsty (Nigel Adams) on securing this important debate. He spoke passionately about the issue and posed some good questions, which I hope the Minister will address.

I echo many of the things that have been said about Yorkshire, because, as hon. Members may be able to tell from my accent, I am originally a Yorkshire girl. Everybody in the room has a responsibility to ensure that Yorkshire and its tourism industry stay on the agenda. As the hon. Member for York Outer (Julian Sturdy) said, the debate is an important part of that.

I am from Bradford, and it is good to see my hon. Friend the Member for Bradford South (Mr Sutcliffe) here. He is my mum and dad's MP, and I know how proud he is of his constituency and how hard he works to promote Bradford. He has also done a fine job of promoting Yorkshire today.

Tourism is incredibly important for the survival and continuing regeneration of many regions such as Yorkshire; it creates huge numbers of jobs for people directly employed in the industry and for many thousands more working in similar industries. Its importance to our national economy is highlighted by the fact that it is our fifth largest industry. According to figures from Yorkshire Forward, tourism contributes billions of pounds to the regional economy.

Tourism should feature strongly in our strategy for economic recovery. I know that Britain cannot afford to give the industry a specific VAT cut at this time, but does the Minister accept that this is perhaps not the right time for the Chancellor to hike up VAT?

It is not hard to see why Yorkshire is popular with tourists and so valuable to the economy. It has everything, from the hidden gem of Selby abbey, in the constituency of the hon. Member for Selby and Ainsty, to Scarborough, which was one of the first seaside resorts in Britain, to great moors and coastlines. It also has cities such as York and Leeds and shopping complexes such as Meadowhall. The hon. Member for Selby and Ainsty is rightly proud of the region.

I have learned some new facts about Yorkshire from the hon. Member for Harrogate and Knaresborough (Andrew Jones). We all know about the landscape and heritage, but I did not know that it was the happiest place to live in. I have enjoyed tea and cake at Bettys, and it is a fantastic part of Harrogate.

Mr Knight: Can I add to that impressive list the enjoyment of fresh crab and lobster at Bridlington, Britain's largest shellfish port?

Gloria De Piero: I remember the odd school trip to Bridlington. I did not have any crab then, but perhaps I will now, as a grown-up.

As people have said, tourism is about more than economics. It has the magical ability to conjure up dreams and create special memories. I grew up in Bradford, and I remember vividly the opening of the National Media museum, where my dad used to take me when I was a little girl. That museum did so much to capture my imagination. It was there that I learned about how television was made, and its history. That broadened my horizons, and who knows whether it was responsible for my choosing a career in TV before I came to this place? There was a mat to sit on, which would transform, by means of the television screen in front, into a flying carpet to transport visitors to far-flung places. I went back to the museum a couple of years ago and the flying carpet mat had gone, but the special effects meant that people could transport themselves to outside 10 Downing street, to be a reporter. That offered a little less magic to me, as that was my job at the time.

Another pleasure when I was growing up was Haworth, down the road. I am sure that it was the main reason I fell in love, as a teenager, with Emily Bronte's book "Wuthering Heights", and went walking the moors wondering when my Heathcliff would come. Those moors brought the novel to life for me, and I am sure that they do for many tourists. That reminds us that tourism is not only about people from different counties or countries, but can be for people from nearby in the same county: it can expand people's horizons. It can expand the taste buds too. Much to the horror of my Italian parents, spag bol was not my food of choice, because, as everyone knows, Bradford has a reputation for fantastic curries, and I became a devoted convert. I wish Bradford and Sheffield well, as they have both been nominated for the Curry Capital of Britain award. It would not surprise me if Yorkshire were to add another award to its growing list.

With brilliant attractions on our doorstep, it is important to make sure that everyone knows about them, and that people do not miss out. That is why hon. Members are

[Gloria De Piero]

right to point out the importance of promotion. I am originally from Bradford, and am the shadow Minister for Culture and Tourism, but I did not know until recently that my birthplace beat cities such as Los Angeles, Cannes and Venice to achieve UNESCO city of film status. If I did not know that, what are the chances that someone from Japan, or even someone from Jarrow, will know?

Spending on promoting Britain and its wonderful regions should not be seen as an unnecessary cost; it brings valuable cashinto Britain too. I am sure that the Minister is all too aware of figures that show that money spent on promoting tourism can be extremely cost-effective. For instance, Welcome to Yorkshire was launched in April 2009 with regional development agency funding from Yorkshire Forward of £10 million a year for three years. According to Welcome to Yorkshire, for every £1 invested, it has delivered £40 back into the local economy. However, the Minister will know that it is in the dark about its financial future, with the impending closure of the regional development agencies. When regional funding ceases in April 2012, it will be interesting to see what effect the Government's new enterprise partnerships will have on the tourism industry. If regions such as Yorkshire are not protected and developed, and if budgets to attract tourists to them are slashed, people may simply go elsewhere.

The Labour Government worked hard to ensure that the British isles were once again becoming an attractive place in which to live and work and enjoy simple pleasures such as the Yorkshire moors, Whitby bay, Bradford and Selby—places where vast numbers of people show their support with their feet and their wallets. Yorkshire is a wonderful place and I hope that it has a wonderful future.

I have a few questions for the Minister. What does he believe will be the impact of the VAT hike on the Yorkshire tourist industry? What does the Government tourism strategy have to offer the Yorkshire tourist industry? Does the Minister appreciate that spending on promoting Britain and Yorkshire should not be viewed just as a cost, since it brings in cash? Will he give an assurance that Welcome to Yorkshire will receive some financial support from the Government, after April 2012? Finally, to echo what the hon. Member for Selby and Ainsty said, will the Minister tell us about the funding anomaly in relation to Scotland?

10.25 am

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): It is a pleasure to know that you are here this morning, Mr Hancock, to provide a firm hand and make sure that we stay in order. I congratulate my hon. Friend the Member for Selby and Ainsty (Nigel Adams) on getting the debate under way. It is tremendously helpful to be able to mark the contribution that Yorkshire makes to tourism, because Yorkshire is one of our most important attack brands—I think that is the phrase that my hon. Friend used—and a potential alternative to established tourism honey pots such as London. Providing us with a chance to consider how to pursue that potential is a tremendously worthwhile and intelligent use of time.

Everyone in the debate, across the party divide, seems to agree on the importance of tourism overall to Britain's economy. I shall not repeat the various figures that have been cited and points that have been made, but it is helpful and instructive to note that one of the Prime Minister's main intentions in making his speech on tourism within the first 100 days of the coalition Government was to raise the profile of tourism as a sector of the visitor economy overall. The reason why he did that, apart from the fact that I was cheeky enough to ask him to, was his feeling that it was important to nail down the point that although tourism and the visitor economy as a whole have been an important part of the economy for many years, they have perhaps been slightly undervalued and under-appreciated. There was a need to raise their profile. That is also why the Prime Minister appointed, for the first time in many years, a dedicated tourism Minister—in the shape of myself—in an attempt to give the sector a fair crack of the whip.

All that attention, focus and constructive and helpful input, from all sorts of people around the industry and Members of Parliament on both sides of the divide, led to the tourism strategy that was published in March, which several hon. Members have mentioned. I hope that the strategy will create—again, for the first time in many years—a focus and sense of overall direction for our visitor economy and that it will give people something to get behind, a template to work to. However, it will be a slightly different kind of template from those that people have been used to in the past. The intention is to say, "Tourism involves a very large number of small and medium-sized businesses, and therefore it is wrong to try to treat the industry as a single organisation." In fact, it would be counter-productive and destructive of value to do so.

There will not be a grand, centrally planned Stalinist master plan handed down from my office about how we shall pass investment between different parts of Britain and different sectors of the visitor economy. Instead, we must have a much more bottom-up, organic approach, through which local destinations can say, "This is what we need in our area." What is right for Harrogate will be different from what is right for York or Scarborough. That is entirely correct, and the people best placed to understand the different responsibilities and priorities in each area are inevitably the businesses that operate in those local markets, which are trying to make their living in those local destinations.

Mr Sutcliffe: I understand the thrust of what the Minister says about small and medium-sized businesses, but it is important that there should be an overarching organisation. As I said in my speech, before the tourist board and Welcome to Yorkshire, areas competed against each other. There is a need for co-ordination. That is why we are concerned about the long-term future of Welcome to Yorkshire.

John Penrose: I completely agree; I am not talking about an either-or option. We need the bottom-up, organic, business-led approach, because that is what will give our management and marketing efforts to grow the local visitor economy in each destination more commercial edge and nous. The hon. Gentleman is right to say that the approach must not be at the

expense of other areas or trying to do down neighbouring destinations, particularly those that could themselves be a vital attack brand or an overall destination. If he will hold his horses for a moment, I will come to the point about Yorkshire's overall position as a potential rival to London, alongside the Peak district, Cornwall, the Lake district and others.

There is an important difference in the way that we are trying to approach things, in that local destination management organisations will increasingly become more business-led and commercially savvy but still be supported by local councils, local enterprise partnerships and all sorts of other public sector bodies, particularly where tourism is an important part of the local economy, such as in large parts of Yorkshire.

Tourism's place in the pecking order will obviously vary from place to place, but there is no doubt, as we heard this morning, that the visitor economy is an extremely important part of the local economy right across Yorkshire, and local councils and other public bodies will naturally want to support tourism in whatever way they can. Again, however, we hope that they will be supporting and backing up a business-led organisation—one that has that extra commercial nous. In creating those organisations, I hope that we will have started to change the culture of the business and the way in which we approach the matter.

Before speaking about how we might create rival attack brands or alternatives to London, I should make clear that all the contributions made today show that Yorkshire has a great sense of place and of a shared culture and history. That is a huge advantage when creating an alternative to London and rival destinations. There is a huge sense of pride in a shared Yorkshireness.

My hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones) said that in the past he and I have been prone to a little banter on the relative merits of Yorkshire and my county of Somerset. I shall not intrude on private grief by alluding too often to the Yorkshire cricket team, but I was pleased to hear the selfless offer made by the hon. Member for Bradford South (Mr Sutcliffe) to arrange a tour of the Yorkshire breweries. I am sure that many Members here today would be willing to assist him.

Having spoken about breweries, I mention in passing the contribution of my hon. Friend the Member for Leeds North West (Greg Mulholland), who was concerned about pub closures. I remind the House that the Government recently announced what I hope will be a valuable initiative, one that will help many more of those pubs that have been struggling to stay open. It is a strong consultation on deregulation and reducing the red tape on entertainment licensing. That will clearly be very important for a great many pubs that currently find it difficult, time-consuming and awkward to lay on music. I believe that that will make a huge difference to the future success of many pubs, both rural ones and those in city centres.

I speak next about establishing Yorkshire as an overall destination, as well as a place that contains many local tourism gems. As everyone else has done so, and because they deserve it, I add my congratulations to the people of Welcome to Yorkshire. It is a good example—I am boring the rest of the country with it—of a high-functioning, well run and effective local destination management organisation, and Yorkshire can be proud of it. The organisation will be at the front and centre in the drive to establish Yorkshire as an alternative destination, and an attack brand to attract people to other parts of the country rather than simply to London. It is important that we make the effort.

London is a hugely valuable tourism asset to Britain. It is the single most visited area of the country. However, we need to use London as a way not only of attracting people to Britain but of making it their first stop before they move out and visit all the other things that we have to offer. As Minister with responsibility for tourism, I do not much mind if that means Cornwall, the Lake district or Yorkshire, but we must have credible alternatives. That is why I was pleased to hear my hon. Friend the Member for Harrogate and Knaresborough talk about the importance of investing in the product and ensuring that the attractions and accommodation are kept up to standard. He is right to say that it is impossible to drive success in this industry without a product that is worth promoting.

Once we have created a high quality and good value product—I mean good value at all price points, from the cheapest to the poshest and most expensive—we must ensure that people understand that going for a weekend to York is fine but that they can spend longer there, perhaps spending an entire week visiting the whole of Yorkshire. That is the kind of challenge that we must get across; we must ensure that people understand the richness, breadth and diversity of the various things that can be done in places such as Yorkshire. It should not matter if people go to Yorkshire for a particular purpose; there are always other things to tack on the end. If one goes with the family, the children will not be bored. There will always be something new and different to do.

It is important that organisations such as Welcome to Yorkshire put across the message of a rich and diverse tourism offer. Destination management organisations are not the same as destination marketing organisations, and the difference is crucial. We need management organisations to act as the voice of the visitor when talking to local public bodies, be they local councils, LEPs or whatever. It is important that locally elected councillors and other politicians have somebody to remind them what visitors want because, by definition, visitors come from elsewhere and do not have a local vote.

We need somebody to stand up and speak up for the local tourism industry on behalf of its customers; when councils are considering how, for example, to renew or regenerate a piece of public space—perhaps an old market square—we must ensure that the needs of the tourists are considered at the same time as those of local people. Those needs can often be entirely congruent and aligned, but occasionally the needs of the visitor will be slightly different from or additional to what local people want, so it is vital that we have organisations strong and vibrant enough to speak when the moment strikes.

My hon. Friend the Member for Selby and Ainsty raised some important questions about funding. I wish to develop my argument in response to those questions, possibly wrapping up the various queries raised by others during the debate. My hon. Friend was entirely right to say that there are different levels of funding around the country, but we are in a transition period at

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the moment. The old regime of regional development agency funding is coming to an end, and new sources of funding are being found by destination management organisations around the country.

My hon. Friend was right to point out that DMOs take a different approach in Scotland. It is worth pointing out that domestic tourism in Scotland is a devolved matter; it is the responsibility of the Scottish Executive. Having taken the overall funding devolved under the Barnett formula, they may make decisions about the relative priorities for spending in Scotland that are different from those made in England. If they want a different trade-off between the health service spending and tourism, they are entitled to make it. None the less, and however those local priorities are assigned, we in England have to ensure that we make the best of our overall funding allowance.

My hon. Friend mentioned the efforts that we are making to promote Britain abroad and to attract more foreign visitors. That is going pretty well. I suspect that few Members will have seen our advertisements or marketing, because by definition they are being applied in foreign markets. They are being targeted at the top 20 or so most important markets for visitors to the UK. They include some of what I would call the near abroad, in western Europe, which may have been a little ignored in the past; it also includes some traditionally strong markets for the UK, such as the USA and Canada. It also includes some of the high-potential, fast-growing but historically small contributors to our visitor base, such as China, Russia and Brazil. Those are working well, and we are seeing strong levels of interest.

As will be understood, we also have a series of amazing and wonderful events to add to our existing attractions, not only in 2012 but in future years. Next year we have Her Majesty the Queen's diamond jubilee. We also have the Olympic and Paralympic games and the cultural Olympiad, and in 2012 and 2014 we will have the two flavours of rugby world cup. We have the Commonwealth games, the Ryder cup and so on and so forth. There is a whole stream of wonderful opportunities that we can use to raise the profile around the world of Britain as a destination.

The point that I want make to hon. Members here and to the industry more broadly is that those events are not the main course. They are not the moment when we will see huge increases in the numbers of visitors, although we expect and hope to see influxes of visitors around the events themselves. The really big-value opportunity here lies in the fact that events such as the Olympics will probably attract the single biggest TV audience that this planet has ever seen, which gives us an unparalleled, historic opportunity to demonstrate all the wonderful things that Yorkshire and other parts of Britain can offer to the rest of the world. We want the people who cannot come to the Olympics or the Paralympics next year to watch the events on TV and think, "You know what, I may not have been able to get there for the games themselves, but I fancy going to see all those things that are available in Britain in 2013, 2014 or 2015." That is the big opportunity that the international marketing campaign is aiming to use.

There are also some domestic funding opportunities and targets that we want to explore. Various Members, including my hon. Friend the Member for York Outer (Julian Sturdy), mentioned the reform of business rates. Those rates are tremendously important as a source of public sector funding. By reforming them and giving councils an opportunity to share in the proceeds of local economic growth by retaining some of the increased business rates that are generated, we change the mindset of councils about investing in local tourism. From being something that was not a statutory duty—it still is not a statutory duty—and was, in many cases, viewed as a cost and something for which local councils got very little return, it will hopefully be seen by local councils as an opportunity to invest in a successful local business. We expect them to say, "If we put some money into local tourism, either into marketing a local destination or into investing in infrastructure, we have an opportunity to drive economic growth very effectively."

The figures that have been quoted in this morning's debate show that tourism is an extremely rapid and financially efficient way of driving economic growth. It is also a way of driving economic growth that is not centred on the south-east or on one or two of our traditional sectoral strengths such as financial services.

Tourism, therefore, ticks a great many boxes. It is instructive to see what has already been done by successful organisations such as Welcome to Yorkshire. The local rates of economic growth in the sector far, far outstrip those of the economy as a whole. From the Treasury's point of view, that has to be good because it shows that the tourism sector and the visitor economy as a whole has a huge potential and is already delivering on that potential to be a leader in the country's economic recovery. The reform of business rates is crucial and will provide important incentives for local councils and other public bodies to invest in local tourism organisations.

It is also true that local tourism businesses are increasingly willing to get involved. If they contribute to local destination collective marketing campaigns, they will see positive returns to their businesses as well. It is important to draw a distinction here. In the past, in some parts of the country—there have been notable and honourable exceptions to this—local councils and local councillors have gone round and effectively twisted the arms of local tourism firms to contribute to a local tourism marketing campaign, which has never been a terribly effective system. It was driven more by the mayor's desire to wander into the local tourism and information centre and see his picture and a foreword from him on the front of a leaflet rather than to put heads on beds or bums on seats and drive top line revenue for local tourism businesses.

If we move away from that and have business-led organisations, we will achieve our aims because those organisations will have an extra commercial edge. If we start running campaigns that genuinely make a difference to local tourism businesses, and make more of a difference to those that have contributed to a collective pot than the ones that have decided to free-ride, we will have something that is not an exercise in corporate philanthropy or council arm-twisting but makes good commercial sense because it justifies its own place in any local tourism companies' local marketing plans. Equally, it will make more sense to participate than not to participate. Firms that participate in the scheme will do better that those that do not. Those are simple, clear incentives that will transform the way in which local tourism bodies work. They will also transform the incentives for local

companies and local councils to get involved. What that means—this is already happening in many parts of the country—is that we will get locally organised, locally run and locally focused shared marketing campaigns that are funded by contributions from local businesses, and backed up by local tourism and marketing organisations, often with the support of local councils.

It would be remiss of me to pass over the issue of ongoing central Government support. There is the regional growth fund, into which a number of what I hope will be highly successful tourism-related bids have gone for consideration. Those bids vary in size from the small to the extremely large. We hope and expect that many of them will be compelling when they are being considered.

Yesterday's announcement on the torch relay was also mentioned. We are using £3 million of central Government money to leverage local tourism money from different parts of the country. There will be a strong discount-led offer for anyone who wants to book a trip to a destination where the torch relay is happening. The trip does not have to take place at the same time as the torch relay, but it has to be booked while the relay is happening. We will use that unique event to highlight the wonderful things that visitors can do in York or in Harrogate or wherever the relay may be happening. It is a golden opportunity to leverage a lovely piece of Olympics-related public relations in a way that will stimulate local tourism demand. Therefore, there will be a series of central Government initiatives designed to drive Olympic-related tourism activity.

I hope that I have responded to all the points that have been raised and that it is clear that there is a great deal of commitment to tourism both in Yorkshire and elsewhere in the country, a high degree of pride in the kind of tourism opportunities that counties such as Yorkshire provide, and a huge excitement in the potential that places such as Yorkshire have to put across the breadth and depth of what they have to offer to potential visitors, thus enabling them to become rivals to London and alternative centres for extended stays rather just short breaks.

I am sure that hon. Members will agree that the opportunities for Yorkshire tourism are bright. The future looks very good indeed. We must understand that landing those opportunities will require huge amounts of hard work, but with the cross-party commitment and local pride that has been on offer today, I am sure that we will manage to do so.

10.49 am

Sitting suspended.

Road Fuel Duties

11 am

Mr Brian H. Donohoe (Central Ayrshire) (Lab): I welcome you to your rightful place in the Chair, Mr Hancock, and I also welcome the Economic Secretary to the Treasury and my hon. Friend on the Front Bench, the Member for Bristol East (Kerry McCarthy), to this extremely important debate. It is also good to see that all parties in the House are, I think, represented here, and I look forward to what they have to say. I particularly want to hear what the Economic Secretary has to say about the high levels of road fuel duties in this country. I also want to put on record my thanks to the Speaker for allowing the debate to take place at this time.

This year, 2011, has been eventful in every sense of the word. It has perhaps been the most financially eventful year in the history of politics. It has been a rollercoaster. We have seen global financial turmoil, and the stock market has fluctuated at a rate that I have never seen before. We are seeing the beginnings of high unemployment levels, along with a rise in inflation, increasing transport costs, and tax changes that I have never witnessed in my time in the House—I have been here some 20 years. The past eight months have delivered a record-breaking run of price rises, those of petrol and diesel being among the most alarming.

Across the UK—there are, of course, highs and lows across the country—the average price of petrol reached a high in May of 137.43p per litre, and an examination of the relevant website just last night showed that the average price just now is not far from that. There is a differential of some 24p per litre between the highest and the lowest price across the country. I remember that when the Labour party was in government there was a near revolution when the truckers blockaded the refineries as a consequence of high fuel prices. Interestingly, we have not seen anything like that since, and I wonder why.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I am not certain from the tone of the hon. Gentleman's voice whether he wants a blockade of refineries by truckers across the United Kingdom.

Mr Donohoe: The hon. Gentleman should know, as should all Members, that I would be the last person in this place to call for a revolution and civil disobedience.

There is absolutely no doubt, however, that the high fuel prices are at the point of driving people out of jobs, which is the most serious aspect of the matter. I shall give an example, which makes me angry, of the desperate situation of a nurse in my constituency. She has had to put up with a wage freeze for the next two years, her pension contributions have gone up, she has to pay double for parking at the hospital in Glasgow where she works, and she has to find £100 extra a month to get to and from work because of the high fuel prices. That proposition cannot feasibly be sustained for too long, but she cannot use public transport because of where she stays and where the hospital is. That problem must be looked at.

Regarding what the Government take per litre, I always remember a case from some years ago of a retailer who was determined to show the breakdown of the price of petrol and diesel. He was told that that was

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not the form, and the petrol company said that it would no longer supply him, for some obscure reason. When one considers that of the average 135p price of a litre of fuel, 81p is taken, one starts to understand the cost to the individual buying the petrol or the diesel. A good 60% goes on dealing with Government intervention in the form of fuel duty, and there is also VAT. Indeed, 20% VAT increases the price of petrol by 2.5%, putting something like 2.5p on it. In addition, outside of Government intervention in the price, there are the oil companies, and it is time to argue for a windfall tax on their profits. I know that there has already been a tax, which a lot of colleagues are very concerned about in relation to the oil companies' continued investment, but I believe that the Government should look at the correlation between profit and price.

I have already argued that a significant portion of the price of petrol and diesel in this country is made up of the Government take, and I argue that it is higher than in most other European countries as a consequence of the high level of tax. Is there any opportunity to make the price cheaper? I am sure that the Economic Secretary will argue that in the present climate there is no leeway—no room for manoeuvre—but I suggest that there might be, and I shall come on to that later.

The reason for this debate is obvious: the price of fuel is crippling a great number of the people whom I represent and, I am sure, a great many of those represented by other Members here this morning. The Institute for Fiscal Studies has announced that the living standards of UK families will decline by more than 10% over the next three years, and it predicts that in real terms the typical household income will fall by 3.5% in the year to April, which will be the steepest drop since 1981. We understand that there is little room for offsetting falling living standards by cutting taxes, but the matter must be looked at. The level of tax and duties on petrol and diesel is cutting off the prospects of many struggling families and small businesses, and since I secured this debate I have had dozens of e-mails from small businesses with examples of just what it is doing to them.

The situation is also destroying job prospects, in particular among young people. I have already had a summit in my constituency, attended by the Secretaries of State for Work and Pensions and for Scotland. Youth unemployment is reaching levels that I never thought possible—it is as high as 70% in many areas. That cannot be sustainable and it is not helped at all by the cost of living today, particularly in more rural areas—I see that the hon. Members for Argyll and Bute (Mr Reid) and for Na h-Eileanan an Iar (Mr MacNeil) are present.

Anne Marie Morris (Newton Abbot) (Con): I am delighted that the hon. Member for Central Ayrshire (Mr Donohoe) has brought this important topic for debate. Is he aware that the current Chief Secretary to the Treasury called in 2007 for a rural fuel discount scheme, and so may have a favourable view? Like the hon. Gentleman, I am concerned, because the south-west has a very rural community. Three quarters of the land is agricultural holdings, so a rural discount would be of great benefit.

Mr Donohoe: We will have to wait for the Economic Secretary's response on that point. As an Opposition Member, I am not in a position to give any assurances.

We must consider the problems with the Government's approach. Although they have frozen fuel tax duty for the next couple of years, we must take into account the fact that the freeze will be more than offset by the rise in inflation. As petrol is always an easy revenue raiser, it is widely expected that the Government will make up their losses, leaving the consumer no better off in the long term.

I will highlight three areas of concern. The first is environmental, the second is economic and the third involves the social impact of the road fuel duty. The removal of the duty differential will affect the green economy. The UK Sustainable Biodiesel Alliance has raised concerns about the Government's decision to remove the 20p duty differential for biodiesel produced from used cooking oil by April 2012. I ask the Economic Secretary to consider that loss more closely. It does not stack up against the Government's views on the green economy. Many see the impact of the removal of the duty differential for biodiesel as a disastrous blow for the growth of the green economy. Just outside my constituency is the company Stagecoach, which runs buses on biodiesel. It is highly successful, and particularly popular with youngsters, but it will come to an end if the differential is not maintained. Will the Minister clarify why on earth the Government, whom we have heard are the greenest Government ever, continue to consider it?

On the economic side, we risk the demise of the independent fuel sector. Retail Motor Industry Petrol told me that MRH, the UK's largest independent forecourt operator, has highlighted the unfair pricing practices used against it by both hypermarket chains and oil companies. That is a concern. In addition, the four big supermarket chains are struggling with their own retail this year due to the downturn, which in turn is placing greater pressure on and compounding the problems of independent retailers.

Such relentless competition has been going on for some years. It is responsible for the closure of around 400 independent forecourts, and it continues. It will lead to a sparse population of fuel retailers, obliging motorists to drive great distances to top up their tanks, which is not sustainable. More than 6,000 garages have closed since 1998, which is a problem, as anybody knows who travels off motorways. Particularly in more rural areas, as I have seen at first hand, running out of fuel because there are no petrol or diesel stations is always a danger.

Jim Shannon (Strangford) (DUP): The hon. Gentleman has outlined the issues relating to road fuel duty and mentioned garages running short. Does he share my concern—I suspect that he does—that it is not only about garages running short but about elderly people in our community? This winter, they will be asking themselves, "Should we use oil, electric, coal or gas?", but they will be stuck with oil and the cost that that entails. Does he not feel that the Government should consider what help they can give elderly people to ensure that this winter will not be a hard one?

Mr Donohoe: The blasé slogan "Either eat or heat" is becoming a reality faced by many of my constituents, particularly the elderly. The hon. Gentleman is right. It is a major concern, and it should concern the Government.

To return to the economic point, the industry should look into the fact that some oil providers supply their own forecourts with fuel at one price while selling the same fuel to a second retailer down the road at a higher cost. Something must be done about that. Anyone who travels two miles along the road from Prestwick to Ayr in my constituency can see it at first hand. Prices at forecourts using the same supplier vary 6p from one end to the other, which should not be allowed. Two-tier pricing is becoming a joke.

Mr MacNeil: I hear what the hon. Gentleman says about two-tier pricing, but I am sure that he will sympathise with areas of one-tier pricing, such as my constituency, where all prices are high and the closest cheaper fuel is a ferry ride away. Does he not feel that there has been too much inaction by successive Governments on tackling the problem?

Mr Donohoe: I agree entirely. It is interesting to note that Shetland has some of the highest petrol prices in Scotland, although half the United Kingdom's total oil supply flows through two pipelines there. Another instance is Grangemouth, where the refinery for Scotland is based. The price of fuel there is also among the highest in Scotland. That does not stack up.

Mr Jim Cunningham (Coventry South) (Lab): I was interested by the intervention of the hon. Member for Newton Abbot (Anne Marie Morris), because not far from Newton Abbot is the Devonshire coast. I was down there about 12 months ago or more, and it was amazing to see the number of tankers lined up that were not being unloaded. Does my hon. Friend not think that there might be a case for an investigation into oil companies and hoarding to force up prices? Price is as much an element of the problem as taxes.

Mr Donohoe: I thank my hon. Friend for that intervention. I am sure that the Economic Secretary will address that issue when she sums up, along with the points made by other hon. Members.

My third point concerns the social and economic consequences of the situation. Everybody can see that many kinds of damage have been done to consumers and businesses, particularly small businesses. As I have mentioned, the erosion in the number of forecourts is obvious, particularly in rural areas, and it will lead to fuel deserts in many parts of the UK. A vital immunity for low-income families, pensioners and the disabled has been lost. Journeys to fill fuel tanks are longer, increasing carbon emissions needlessly. Consumer choice has been reduced. There are fewer facilities for HGV and van users, as supermarkets do not cater for them. The impact on the UK's ability to cope with emergencies has also been massive. Perhaps most importantly, jobs and job opportunities are being lost.

Jim Shannon: As the hon. Gentleman will be aware, an e-petition is circulating that has some 62,000 signatures at the moment. If it gets 100,000 signatures, we can debate the matter in the House of Commons. Does he not feel that he should encourage people to sign it so that the matter can be debated at length in the House, as it needs to be?

Mr Donohoe: That was one of my conclusions, so it is useful that the hon. Gentleman has made that point. This morning, the Fair Fuel UK campaign e-mailed me, as I am sure it mailed everybody. Like everybody in this room, barring perhaps the Economic Secretary, I signed the e-petition. As a consequence, only 17,000 signatures are now required to reach 100,000. I urge everybody—not just those here but anybody listening to this debate who is concerned about high fuel prices—to sign the petition so that a full debate can be held. This is, after all, only an Adjournment debate. Important as it might be, we need a full debate in the House with the Government leading. I look forward to it.

In conclusion, we must consider the issues that I have highlighted. The Government know that the Labour party opposes 20% VAT, which has helped to push up petrol prices to their current levels. I did not realise until I was preparing for this debate that VAT is put on top of the tax, so the duty is taxed with VAT. If the tax is 50p, 20% VAT is put on top of that fuel duty. The Government should look at that. If, as is being argued, a reduction in VAT is not an option because of the bureaucracy across the water in Brussels, we could consider a reduction in fuel duty to lower the cost of taxation, which, as I have said, is initially some 80p per litre. The Economic Secretary and the Treasury should look at that.

Guto Bebb (Aberconwy) (Con): On VAT, I have been in discussions with a representative from a coach company in my constituency, which has put on hold plans to employ more staff because of the extent of fuel duty. One of the issues that he raised was VAT. He actually argued in favour of a higher rate of VAT for diesel and petrol, because, as a business, he can reclaim the VAT but not the fuel duty. I wonder whether the Treasury has an opinion on that.

Mr Donohoe: That is a matter for the Economic Secretary, not me, to address, but I am grateful to the hon. Gentleman for his intervention. A tax increase is being proposed for next January and August, but I would like an assurance from the Economic Secretary that it will not be implemented. The best way to help hard-pressed consumers would be for the Government not to adjust the tax on families, who are already feeling the squeeze as a consequence of the Government's policy on pay freezes and pension hikes.

We also have to look at the big six energy providers, which recently announced large price rises and bigger profits. The Government must have scope to look at that in order to redress, via a windfall tax, the whole problem of taxation. There is also the issue of the Government's policy—if it is a policy—to move people from the road to public transport. The Government have just increased the cost of rail travel by 10%, which seems to go against everything that is being argued. Is that policy supported and likely to continue to be supported by the Treasury?

A number of representatives from rural areas are present. More emphasis needs to be put on trying to allay the problems associated with living in the countryside, which are an enormous burden on businesses and the consumer in those areas. I have already mentioned the removal of the duty differential for biodiesel, but the position of that industry needs to be addressed by the Government. It is a growing industry and one

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that is useful in addressing both public and private transport in my constituency. I have already mentioned the prices set by supermarkets and oil providers, which have to be addressed.

I have two final points. The Government must reduce the tax on petrol. That would increase employment prospects, particularly those of the nurse whom I mentioned earlier, as well as those of people who rely on public transport to get to work. Finally, I am old enough to remember when fuel prices were fixed universally throughout the whole country. A lot of the commodities that were deemed at that time to be essential, such as bread and milk, were all the same price. Given the disparity between the highest and lowest price in this country, will the Government examine the issue so that the disparity is overcome and the price of petrol is not a commodity with which the supermarkets and some of the country's suppliers play?

Mr Mike Hancock (in the Chair): Thank you, Mr Donohoe. A lot of Members want to speak, but we do not have a great deal of time. Will those Members who speak be careful about the number of interventions they take? Perhaps that way everyone will get in.

11.25 am

Mr Alan Reid (Argyll and Bute) (LD): It is a pleasure to serve under your chairmanship, Mr Hancock. I congratulate the hon. Member for Central Ayrshire (Mr Donohoe) on securing this debate and on bringing this important issue before the House.

I represent a sparsely populated constituency, so I am well aware of the impact of high fuel prices on people and businesses. I represent many of the islands of the Inner Hebrides. The price of fuel on the larger islands, such as Mull and Islay, is typically 15p a litre higher than at a city centre supermarket, and on the smaller islands, such as Coll and Colonsay, the price is usually about 30p a litre higher. That is not due to any profiteering by local filling stations; Office of Fair Trading investigations have shown that there is no local profiteering. The main reason is the low turnover. The high fixed costs of running a filling station mean a high price.

Mr MacNeil: On that point, Donald MacNeil of the Burnside filling station in Daliburgh, South Uist, has told me that, if he paid somebody to sell fuel all day, they would not raise their own wage from the amount they sold, which is a reflection of why the price of rural fuel is so high. There is no profiteering. Apart from the high prices, we also know that there are distribution issues.

Mr Reid: I am grateful to the hon. Gentleman for his intervention. He is correct that there is no profiteering at the local filling station, although the distribution network, as he has indicated, might be another issue.

The high price obviously has a great impact on people's living standards and on anyone trying to run a business on an island or in a remote rural area. I was therefore delighted when the Government announced their intention to pursue a pilot scheme under which there will be a 5p a litre fuel duty discount on many of the country's islands, including all the islands of the Inner Hebrides and the Clyde. The Treasury is currently consulting filling station operators on the terms of the pilot scheme. Its original consultation proposals were met with significant concern by filling station operators, because they would have caused a cash-flow problem. I was pleased when the Government responded quickly to those concerns and revised their proposals in a way that removes the cash-flow problem.

The revised consultation proposals envisage two possible schemes—a distributor-based scheme and a retailer-based scheme. Of the two, it looks like the distributor-based scheme would be easier to operate, because the distributor has the resources to carry out the administration, which the small retailer would often find more difficult. I appreciate, however, the Government's concern that a distributor-based scheme may fall foul of EU state aid rules and might not be approved by the European Commission. I hope that a distributor-based scheme can be devised that is acceptable to the Commission. If not, we would have to proceed with a retailer-based scheme.

The cash-flow problem in the original proposals has been overcome, but filling station operators are still concerned that it is not clear how they can prove to the Treasury that they are passing on the discount to the consumer. An essential principle of the scheme is that the 5p discount is passed on to the consumer. What retailers have asked me is whether the Government can provide clarity on how they should demonstrate that they are passing on the discount. That clarity would be welcomed because, as I say, the retailers are still not clear what they would have to do to comply with the scheme—and, of course, they are all keen to participate. If the islands' pilot scheme is successful, as I am sure it will be, I would like it to be extended to remote areas of the mainland.

Anne Marie Morris: I absolutely endorse what my hon. Friend says, but some of the rebates that have been given in France, Portugal and so on are not limited just to the islands. The Government's current view is that it is only in an island situation that such relief can be made available, but that does not seem valid.

Mr Reid: I wholeheartedly agree with my hon. Friend. As she said, other EU countries are operating a similar scheme, so I am sure that it can be successful here.

Mr MacNeil: Will the hon. Gentleman give way?

Mr Reid: The Chairman asked for limited interventions and I have already given way to the hon. Gentleman.

I have accepted the Government's view that we must have an islands pilot first, but after that I would certainly press for it to be extended to remote areas of the mainland.

Jim Shannon: The hon. Gentleman refers to the mainland; obviously, I am very keen for the same opportunities to exist for the people of Northern Ireland. Will he address that issue and does he agree that Northern Ireland also needs to have a similar pilot scheme, because the prices there are equal to those in the western islands of Scotland?

Mr Reid: I agree with the hon. Gentleman. From the perspective of a Scottish island, the mainland is the mainland of Great Britain, but I accept that there is

another part of the United Kingdom. I am not sure whether calling it the mainland is the correct way to refer to it or not.

Jim Shannon: As Margaret Thatcher said, we are more British than Finchley.

Mr Reid: We are straying into another debate here. I think we will stick to fuel duty, which is probably a lot less contentious.

Operating a rural filling station is clearly not a profitable business these days, and we heard from the hon. Member for Central Ayrshire about how many have closed. In my constituency, I can point to 10 that have closed since I became an MP in 2001, and that is fairly typical of the country as a whole. On the Kintyre peninsula, only three of the five filling stations that the area had at the beginning of the year are still open. Two have closed this year, which is causing real concerns on the peninsula. As the hon. Gentleman who opened the debate pointed out, people are therefore driving longer distances to fill up their tanks and the choices available to rural motorists have been reduced. Action to help rural motorists is certainly badly needed.

There was a time when it could be argued that high fuel taxation was needed to discourage people from polluting the environment, but market forces have already achieved that. Nobody drives for the fun of it these days unless they literally have money to burn and, of course, anyone in such a position would not be deterred by high fuel duty anyway. High fuel duty has played its part in discouraging people from using their cars when public transport alternatives were available but, of course, in a rural area those alternatives are not often available. The price of fuel is already very high and the Government should not be considering putting duty up any further.

I was delighted when the Government abandoned Labour's fuel duty escalator in the Budget, introduced the fuel duty stabiliser instead and brought down the fuel duty because the price was so high. The Government have scheduled a fuel duty increase for January as it was hoped at the time of the Budget that prices would have decreased by then, although they show no sign of doing so. If prices are still at this level in January, I hope that the Government will not press ahead with the increase.

My final point, which was also touched on by the hon. Member for Central Ayrshire, is about what exactly is causing the high price of fuel. The hon. Member for Coventry South (Mr Cunningham) referred to oil companies storing fuel rather than putting it on to the market. I want to ask the Government whether any collective action can be taken internationally—for example, through the G20—to bring the price of fuel down. The price of fuel adds to the price of everything in a rural area, so anything that the Government can do to bring the price down would be greatly appreciated by my constituents and all hon. Members who represent a rural constituency.

11.35 am

Mr Jim Cunningham (Coventry South) (Lab): This is the first time I have taken part in a debate that you have chaired, Mr Hancock, and so far you have been handling the discussion very well.

I want only to make one or two points of emphasis because I am conscious that all hon. Members present represent constituencies that are under the cosh in certain ways regarding fuel prices. I congratulate my hon. Friend the Member for Central Ayrshire (Mr Donohoe) on securing the debate. I know that there is high feeling in the country about fuel prices because I get regular letters about the subject. I also note one of the points that he made earlier: so far, we have not seen the lorry drivers demonstrating. I do not know and would not like to say whether that will happen, but I would not like it to. I would prefer to think that the Government will take action, as they promised in the run-up to the general election when they were condemning us for the fuel price escalator.

It is worth noting and reminding the hon. Member for Argyll and Bute (Mr Reid) that the fuel price escalator was introduced by a Conservative Government—in fact, it was the previous Conservative Government. I was also interested to note that the hon. Gentleman mentioned that the Government had taken action to try to stabilise fuel prices. I think it was 1p or something that they knocked off so, frankly, they did not take very much action.

Mr Reid: As well as knocking 1p off, the Government did not go ahead with the increase that the previous Chancellor's fuel price escalator would have caused.

Mr Cunningham: I welcome the hon. Gentleman's response because he is only apologising for the Government of whom he is part. When he was in opposition, he said the opposite; but never mind, we shall carry on.

Although we cannot broaden the debate, I would like to mention that one of the major implications of the fuel price increase is its impact on the wider economy. We could talk about pensioners who are on fixed incomes, one-parent families or people who rely on transport—whether it is the motor car or the bus. I need to check this out, but I think that, a couple of weeks ago, National Express announced that it may have to reconsider off-peak fares for pensioners because of the subsidy situation. That is something that the Minister may want to investigate.

Anas Sarwar (Glasgow Central) (Lab): I join my hon. Friend in congratulating our hon. Friend the Member for Central Ayrshire (Mr Donohoe) on securing the debate. My hon. Friend the Member for Coventry South (Mr Cunningham) mentioned the impact on pensioners. In the city of Glasgow, 100,000 pensioners face cuts to their winter fuel allowance this year as well as increases in the cost of fuel and of living. Sadly, too many pensioners right across the country will have to choose between putting food on the table, heating their homes and getting out and about around the country. Would he like there to be some real Government action to support pensioners?

Mr Cunningham: The previous Government certainly went a long way to try to address some of those problems. Some Labour Members did not necessarily think that they went far enough, but that is another argument. We now have the present Government. If they want to talk about the big society, they must get a grip of the issue and try to do something more positive.

[Mr Jim Cunningham]

It is no good relying on a pilot scheme somewhere and a double-tier price index for fuel. We must tackle the problem in a proper way. Someone mentioned the European scheme, which may well be something that the Government can consider.

I return to the issues that affect the economy. Haulage prices must be affecting businesses, particularly small businesses—for example, in relation to builders. We rely on builders to generate much of the economy. There are one or two examples of that. In addition, small businesses cannot always get credit and have cash-flow problems, which impacts on small and other businesses and therefore on the economy.

It is also worth noting that this Government, like the previous Conservative Government, changed the retail prices index; we now have a new invention called the consumer prices index. Such an approach shows that the Government are concealing the real impact of their policies, particularly in relation to inflation. I hope that the Minister will address that because the retail prices index is a way in which the public can get a good measure of what is happening in the economy in respect of inflation. If we consider current inflation levels, the public are not sure whether they are getting a true measure. The household budget is mucked around with, to use an expression, but the real cost cannot be measured. I hope the Government will look at that.

In relation to the islands, I know a lot more about Cornwall. Some years ago, I sat on the Trade and Industry Committee. We discovered to our surprise that one of the poorest areas in the country was Cornwall. Like the highlands and islands, Cornwall relies on the tourist trade, as everybody knows; a lot of its jobs depend on the tourist trade and a lot of them depend on public transport. That has an impact on public transport and bus fares. That is bound to affect the poorest areas in Britain, whether we are talking about the islands, the south or the south-west.

I remember one scheme where the post office used postal vans as a method of public transport in order to pick people up. There have been cuts in public transport in the south-west; the frequency of buses, that public mode of travel, has been reduced drastically. I wonder what has happened to what we used to call the transport subsidy.

I have covered some of the main points that I thought needed emphasis. My hon. Friend the Member for Central Ayrshire has covered the major areas, so it was worth pointing one or two other things out. The seriousness of the situation has now developed, whether we talk about inflation measurements or the impact on ordinary people who have been encouraged to take part in what is called the big society.

11.41 am

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I congratulate the hon. Member for Central Ayrshire (Mr Donohoe) on securing this important debate, a debate that is in my ears every week of the year. I think the hon. Member for Coventry South (Mr Cunningham) used the words, "under the cosh"—and we are certainly under the cosh.

Road fuel in my constituency is at ridiculous rates, and has remained at ridiculous rates in the lifetime of this Government and the previous one. Road fuel is between £1.50 and £1.57 a litre. My constituency has the highest fuel poverty in the UK. In Stornoway, at the north end, fuel is £1.50 a litre. At a small fuel station in South Uist, where I stopped on Friday in a rush to the ferry—I was almost late, as usual—I paid £1.57 a litre for diesel for my car.

In the Faroe Islands, which are halfway between the Hebrides and Iceland, the price of fuel is usually 50p a litre less. That was confirmed to me this morning: it is £1.06 a litre in Torshavn in the Faroe Islands. The price is not a function of geography; it is a function of Treasury taxation. *[Interruption.]* The hon. Member for Strangford (Jim Shannon) asked me whether I wanted to move. Given how we are taxed from London, as Scotland does not yet control fuel tax, we may have to move to all sorts of strange, weird and wonderful places to avoid the Sheriff of Nottingham tax behaviour from the London Treasury, regardless of which sheriff is in charge. Be it the red sheriff or the blue sheriff, the prices are much the same from London.

Iceland has prices that follow the Faroese model. It is interesting to note, and probably no coincidence that, despite its problems three years ago, Iceland has bounced back better. Its unemployment is lower than that of the United Kingdom and its GDP per capita is higher—Iceland is moving on and putting the past behind it far better than the UK. In my constituency, higher fuel costs are bleeding the economy dry.

Unlike in Iceland, which is able to move on, we are still being bled dry and left in a very weakened state. Higher fuel costs are pulling money from councils, health boards, the police, the fire service, small businesses, pensioners and families. The hon. Member for Coventry South made that point very well. He also mentioned rural postal vans. My father used to drive one of those postal vans. They were certainly a crucible of politics when passengers came on from whichever part of the island of Barra, where I lived when I was younger, and where I still live.

When I spoke in the House of Commons on 7 February —I went back over *Hansard* this morning—I said that Alec MacIntosh at Benbecula airport was haranguing me about the price of fuel and telling me to sort them out in London. He said the same thing yesterday morning as I boarded the plane from Benbecula to Glasgow. Fuel in Benbecula is about 10p a litre higher than it was when I spoke in the House of Commons on 7 February 2011; it is 19p a litre up on the price it was in Stornoway last year. Orkney, Shetland and the islands of Argyll are suffering the same, and Northern Ireland is probably suffering the same.

That is all the more galling when we think of the oil around the islands of Scotland. Shetland, of course, is pumping oil at the moment, as is Orkney. West of the Hebrides, we apparently have 25% of the UK reserve of fossil fuels—$1 million for every man, woman and child in the Hebrides—but we are paying 50p a litre more than the Faroese, who have no proven or found reserves at all.

When the Government came to power, they talked about a rural fuel derogation, and that was welcome. We are having problems, of course, because the Scottish Government do not control this issue and we are left with the red sheriff or the blue sheriff in London. The

previous sheriff played Pontius Pilate to the issues of rural fuel. They were not interested in the rural fuel derogation; spurious and ridiculous reasons came about why they could not do anything. They sat on their hands. There was no fair fuel stabiliser, absolutely no rural fuel derogation, daft excuses and—still dafter—they had no apologies. There is still no apology from the previous Labour Government for their inaction.

This Government came in and their words were like a fresh breeze. Being the fair and earnest fellow that I am, I welcomed their words and their stated intentions. They blamed Europe for the slow progress of the rural fuel derogation and, being the fair and earnest fellow that I am, I was minded to believe them and accept them at their word. Then, of course, the green light came from Europe. The Government are now in danger of eclipsing the previous Government in their cynicism.

Treasury rules are now so cumbersome that they might actually cause small rural fuel stations to go out of business. The Government are looking for every device to slow this down when we know that in rural France, 10 km from a main population centre, people enjoy rural fuel derogations. What is the difficulty? Please get it into place. I warned the Liberals in February—in the House of Commons, as recorded in *Hansard*—that if the rural fuel derogation was not in place before May, they would suffer at the polls for the Scottish elections. They did suffer in rural areas and they are now known as the "not so famous five" in the Scottish Parliament.

There is a good argument, as I think the hon. Member for Central Ayrshire or the hon. Member for Coventry South said, for fixing fuel across the country, just as the prices of newspapers are fixed. If we are to have any fairness, we will have people across the UK paying the same amount of tax; my constituents, and probably those in Argyll, Orkney and Shetland, are paying the highest tax per litre of any part of the United Kingdom.

Mr Jim Cunningham: Does the hon. Gentleman agree that one of the best ways to try to sort the problem out—it is becoming like a ping pong game between the political parties—is to have a proper public inquiry into the price of fuel and fuel hoarding?

Mr MacNeil: I have some sympathy for what the hon. Gentleman says, and I will come on to distribution in a second, but we have played the patient game long enough. I think it was Martin Luther King who said that it was not the time for the "tranquilising drug of gradualism". This is a time for action. At £1.50 and £1.57 a litre, people are hurting and hurting badly.

I am aware that I have taken six or seven minutes, Mr Hancock, and that others want to speak. I would finally like to mention fuel distribution. I have asked the Secretary of State for Scotland, the right hon. Member for Berwickshire, Roxburgh and Selkirk (Michael Moore), about distribution from refineries to retailers, and he has assured me that he is looking into the issue.

Jim Shannon: On distribution, I would like to underline how the issue affects Northern Ireland. The same oil that comes into Belfast goes out all over the whole of the province and the prices vary incredibly. Does the hon. Gentleman feel that there is a need to address how oil companies distribute fuel across the whole of Northern Ireland and the United Kingdom?

Mr MacNeil: Yes, I could not agree more. I had a feeling that that was going to be a helpful intervention and indeed it was. As I was saying, I spoke to the Secretary of State for Scotland in the House and he has assured me that he will look into the matter of fuel distribution. I am not sure what progress there has been on that.

There is a difficulty between refineries and small rural fuel stations, and the habits of the distribution companies. They hold retailers very tightly and do not allow them the freedom to shop around and buy their fuel from different suppliers. A tanker in a certain area of the west highlands can move to a port further down and the fuel can be more expensive. It can go into another port and it can be cheaper. Batches of fuel, within a discharge at a small island port, can have different prices, depending on the amount that is bought. There is, in my view, predatory parasitical behaviour. I use those words with some thought. There is parasitical behaviour from fuel distribution companies when it comes to small rural and island areas.

I am not sure what the Scotland Office is managing to do, but I ask whether the Treasury might look into parasitical behaviour by fuel distribution companies, which are basically leeching off small, vulnerable island communities. That has to stop. At £1.50 to £1.57 a litre, there is utter anger at the price people are having to pay, and that in an area where the cost of living is generally higher—often thanks to the Co-op—where the wages are lower and, as I said, where we have the highest fuel poverty in the United Kingdom. I am making a plea to the Treasury.

The issue comes around every six months, but it is serious and affects people badly. If the powers were held in Scotland, we would not be coming every six months to talk to the Treasury or the Scotland Office in London, to make a plea about how tough things were in areas of Scotland.

I am aware that other Members want to get in, and some throats are being cleared around me, so I will leave it at that—I have said my piece. I am more than annoyed, and I hope that I am not back here in six months repeating part of my speeches of February 2011 and September 2011. We need the rural fuel derogation to come soon.

11.50 am

Graeme Morrice (Livingston) (Lab): I thank my hon. Friend the Member for Central Ayrshire (Mr Donohoe) for securing the debate on what is clearly an important issue for all our constituents and the future of our economy. All right hon. and hon. Members will have had constituents approaching us and expressing their concerns about the current high cost of fuel. Individual constituents and local businesses have certainly raised it with me.

Fuel costs in West Lothian, where my constituency of Livingston is, are currently almost exactly in line with the national average: about £1.35 or a little more for a litre of unleaded, and £1.38 a litre for diesel—*[Interruption.]* The hon. Member for Na h-Eileanan an Iar (Mr MacNeil) confirms that from a sedentary position.

High fuel costs form an important element of the general increase in household outgoings currently experienced by so many families, in many cases coupled

[Graeme Morrice]

with frozen or reduced household incomes. A constituent recently contacted me to describe her own circumstances: she has not had a pay increase for two years, yet she is having to pay an extra £10 to fill up her car with petrol, meaning that she must now prioritise her journeys to remain within her budget.

Interestingly, recent AA research found that one in four of its members is now in the position of having to restrict the amount spent when refuelling and to prioritise car use. Alarmingly, that figure rises to 40% among those on lower incomes. Edmund King, the AA's president, commented:

"Members tell us that driving to work represents the priority use of their car and that other trips have to suffer to make financial ends meet."

With the Institute for Fiscal Studies warning recently that household budgets are set to be squeezed for a decade, it is vital that we get a grip on the issue of fuel costs now, so that consumers do not continue to suffer misery year after year.

Other constituents have expressed their frustration at being told that they should use public transport when they live in areas where public transport links are simply inadequate, or the costs are as high as for using their own vehicle. We touched on that earlier in the debate, and I do not want to go into the detail. The impact of high fuel costs is also seriously hurting businesses, however, and I want to focus the remainder of my remarks on that aspect of today's debate.

We have seen some welcome, if limited, respite for consumers in the past few weeks, with pump prices in supermarket forecourts falling in response to a reduction in wholesale costs. Even if that is of some small assistance to individual consumers, it does little to help businesses and, in particular, haulage and transport companies. Speaking about that recent round of price cuts, the Road Haulage Association chief executive, Geoff Dunning, said:

"These price cuts can only ever be short term. What is desperately needed and would help everyone would be a reduction in the actual rate of fuel duty."

He went on:

"However, January's planned duty rise, combined with the proposed August increase will drive up fuel duty by a massive 10.4%. This will suck more money out of the economy and further undermine efforts to regenerate growth."

Only last week, the Freight Transport Association revealed research showing that, on average, vehicle operating costs for rigid, articulated and drawbar vehicles had risen by 5.6% in the year to 1 July 2011 and that they have remained close to record, all-time highs since April this year. The largest contribution to the rise is the 12% increase for diesel over the same period. The FTA said that, while hauliers could ride out the recession by reducing margins and delaying vehicle replacements, they continue to feel the pinch and that it is likely that some hauliers might not be able to sustain their businesses in such circumstances.

That is of particular concern in my Livingston constituency because of its central position in Scotland, which makes it a popular location for businesses that need to transport goods throughout Scotland and often to other parts of the United Kingdom. Before the previous Budget, Dave McDougall, the chief executive of the West Lothian chamber of commerce, highlighted that point and the importance of getting the cost of fuel down for businesses in West Lothian. He said:

"Fuel prices are crippling all types of business. West Lothian is a location of choice for many companies because of its access to all of central Scotland. But this means that the effects are even worse for our Chamber members."

He urged the Chancellor to take action to reduce the costs but, of course, we know that the 1p cut in fuel duty announced in the Budget was wiped out within weeks by soaring world oil prices.

Also speaking before the Budget, in March, the Federation of Small Business's Scottish policy convener, Andy Willox, said:

"Scotland is suffering disproportionately due to the spiralling cost at the pumps."

Mr MacNeil: The hon. Gentleman has just said that Scotland is suffering disproportionately. Would he prefer those powers to be held by the most democratic forum representing Scotland, the Scottish Parliament, or to be controlled by the Tory and Liberal Government here in London?

Graeme Morrice: I do not want to get bogged down in a debate on the constitution or the whole question of more powers for the Scottish Parliament. I certainly support the Scotland Bill, which we have been discussing, and fiscal autonomy for Scotland—but not independence, of course.

[Jim Dobbin *in the Chair*]

The impact has also been felt by retailers, with Asda stating last month that its customers were cutting back on trips to its stores because of high fuel prices. It estimated that families have, on average, £9 less disposable income each week compared with this time last year, largely due to increased petrol costs. So there is absolute agreement about businesses needing more help with high and rising fuel costs.

The all-important question is what can be done with road fuel duties to reduce the pressure on businesses and individuals and to bring about a halt to spiralling price rises. Fuel duty accounts for more than 60% of the pump price of petrol and just less than 60% for diesel, with VAT on top of that—the highest percentage of duty in the European Union. While the anger and frustration of individuals at suffering such high duties are understandable, once again the major concerns that business has are also clear. How can we expect businesses to compete on a level playing field with European competitors when they face such high taxes and duties?

When the Government increased VAT to 20% in January, they contributed to a further hike in fuel costs. It was the wrong tax at the wrong time, hitting families and businesses hard, just when they were least able to absorb such an increase. I support the calls to look at reversing the VAT increase for road fuel. We know it is feasible to obtain approval at the EU level for such a cut, but the Government refuse to entertain the idea because it is politically inconvenient for them to do so.

In a debate on motoring fuel costs here in Westminster Hall back in June, the hon. Member for Harlow (Robert Halfon) called for a commitment to no more petrol tax rises in this Parliament. He urged the Government to consider abolishing even inflationary rises on fuel duty during the Parliament. Such calls have largely come

about as a result of the work of Fair Fuel UK, which is a broadly representative body and is making a strong case for reducing fuel costs for both motorists and businesses.

How do such calls square with the Government's position? In opposition, the Conservatives made much of plans to "slash fuel duty", as the headlines screamed at the time, with their fair fuel stabiliser. The concept of fuel duty falling when fuel prices go up and rising when prices fall, seems, on the surface at least, like a winningly simple and effective idea. Many of my constituents certainly believed so and contacted me about supporting it. However, the Office for Budget Responsibility, the Institute for Fiscal Studies and others have raised problems with that approach. It remains to be seen whether the fair fuel stabiliser will deliver what businesses and individual motorists want.

Mr Robin Walker (Worcester) (Con): When the Office for Budget Responsibility looked at the fair fuel stabiliser, it said that one of its fiscal problems was that the benefits to the Government of higher fuel prices were wiped out over time by the harm to the economy. Is that not evidence for intervention, and for the Government to set a lower fuel duty to stimulate the economy?

Graeme Morrice: The hon. Gentleman makes an interesting point. I am all for Government intervention in many walks of life, but I would have thought that reducing VAT would be a good start. My hon. Friend the Member for Central Ayrshire made the interesting point that putting VAT on top of the total cost of fuel is a tax on a tax, and the Treasury should look at that.

In summing up, I again thank my hon. Friend for this debate. It will not solve the problem, but I hope that it will at least provide further food for thought about what we can do to find a solution to this most thorny of problems in the longer term, and eventually to bring about a settlement that provides relief for hard-pressed families and businesses. I look forward to the Economic Secretary's response.

12.1 pm

Kerry McCarthy (Bristol East) (Lab): I congratulate my hon. Friend the Member for Central Ayrshire (Mr Donohoe) on securing this debate. I am aware that the number of signatures on the e-petition that is doing the rounds calling for a debate on fuel duty is rapidly approaching 100,000. Since joining the shadow Treasury team, I have spent much of my time debating fuel duty with the Economic Secretary. It is indicative of just how strongly Members of Parliament feel about the matter, and of how much their constituents are affected by high fuel prices, that we have returned to the issue. It also suggests that the Government's limited action so far—the 1p cut in fuel duty—has not done enough to satisfy people's concern and its impact on their lives. For example, my hon. Friend the Member for Central Ayrshire referred to the impact on a nurse in his constituency.

The small increases in the cost of living and the small cuts add up. The cost of parking at a hospital may have doubled, and travel to work may cost an extra £100 a month. Such increases make the difference between people being able to get by on a modest income and being unable to make ends meet. Sometimes they must make the tough decision to give up work, because they simply cannot afford it. I want to allow plenty of time for the Economic Secretary to reply, so I will not elaborate further, but people are being hit across the board. Fuel duty rises and the cost of petrol are obviously a significant element in that.

Before the Budget in March, we called on the Chancellor to review the duty increase, and we welcomed his decision following the example of previous Labour Governments, who had cancelled or postponed rises in duty when circumstances suggested that would be a good idea because fuel prices were putting too harsh a burden on people. We welcomed the 1p cut in duty, but the savings lasted only a short time, and prices at the pump remained high. According to figures published by the Department of Energy and Climate Change this morning, the price of one litre of petrol has increased over the past seven days by 0.38p to 135p and diesel by 0.44p to 139.4p. That makes prices 20p and 22p respectively more expensive than in the equivalent week last year. I am sure that some hon. Members in rural constituencies will say that those average prices do not reflect the real prices in areas that are ill-served by petrol stations.

Clearly, the 1p cut has not been sufficient for motorists feeling the squeeze. That is partly because the Government added another 3p to the price of a litre of petrol by hiking up VAT in January 2011. Motorists are also facing the prospect of a 3p increase in January 2012, and a further increase in August 2012. That comes at a time when the Institute for Fiscal Studies is warning that the coalition's tax rises and spending cuts will squeeze household budgets for the next 10 years, with families over the past year having suffered the largest fall in living standards for 30 years. Median net household income is down 3.5%, the consumer prices index stands at 4.4%, and the retail prices index stands at 5%, which is more than double the rate at which earnings are growing. The Office for National Statistics has highlighted that fuel costs are one of the most significant contributors to the CPI and are adding indirectly to the cost of our weekly food shopping, because distribution costs rise with fuel prices.

I need not remind hon. Members that fuel prices affect not only affect households, but are having a serious impact on businesses, which are already struggling in a flatlining economy. Only this month, the Freight Transport Association reported that the high cost of fuel remains the biggest cause for concern among haulage operators. A survey by the Federation of Small Businesses found that its members were most concerned about the fuel tax rise in January. It warned that small and medium-sized enterprises would be severely affected.

I shall move on to what the Government have said they will do about the problem. Before the election, great play was made of the fair fuel stabiliser. David Cameron said that he would introduce a mechanism to ensure that when oil prices went up, prices at the pump would go down and vice versa. That was widely seen to be unworkable, and has been proven by the fact that since coming to power the Government have not acted on it. The stabiliser in the form suggested by the Prime Minister and the Chancellor has not materialised. Even the Office for Budget Responsibility said that it would make fuel prices less stable rather than more stable.

The Treasury then moved to funding the 1p fuel duty cut with the windfall tax on the oil companies, which the Scottish First Minister described as cack-handed. It

[Kerry McCarthy]

was introduced almost at the last minute, and the oil companies that it affected were not consulted. The reduced duty is funded by a rise in the supplementary charge on oil companies from 20% to 32%. The Government were then hit by evidence that that would lead to fewer new fields being developed, and greater reliance on foreign imports, which are, of course, more expensive. Under pressure, the Treasury announced in the summer that it would allow companies to offset some start-up costs against tax, but that only served to show the Government's muddle on the fuel duty regime. They float various ideas, but when those ideas are subject to any scrutiny they do not stand up to cross-examination, and the Government have to make policy on the hoof.

That is partly why we tried to amend the Finance Bill to require the Chancellor to assess the impact of tax on ring-fenced profits. As I argued at the time, that seemed to be in line with the Government's professed commitment to more consultation and greater transparency in tax policy, instead of coming up with measures without consulting industry and then having to make U-turns.

Another measure that the Chief Secretary announced and which seems to be running out of steam is the pilot scheme for the rural fuel duty rebate, which he announced last October. He was keen on that when he was in opposition, but it seems to be more complicated than the Treasury expected. The rebate would allow a discount of up to 5p a litre on petrol in the inner and outer Hebrides—

Mr MacNeil: There is talk in London of the scheme being complicated, but it need not be. It is happening in many places throughout Europe. The only complication seems to be the length of time it is taking to put it in place.

Kerry McCarthy: At the moment, it is suggested that the scheme will apply to the inner and outer Hebrides, the northern isles and the Isles of Scilly. The Minister will have to explain, but perhaps the delay is due to the fact that there is considerable pressure from other areas where fuel prices are very high. The hon. Member for Newton Abbot (Anne Marie Morris) is no longer in her place, but she made the case for her constituency in the south-west having a similar scheme.

People in the Scottish Highlands, where large distances need to be travelled and the scarcity of retail petrol stations adds to the cost of petrol, think that they, too, should be included in the scheme. Do the Government think that the scheme should be restricted only to the islands, or should it be extended? If the islands are a particular case, perhaps the Minister will clarify what that is. It is not clear whether the island populations would feel any benefit or how the discount could be delivered, and there have been warnings that such a scheme would risk putting petrol stations out of business.

Under the original idea, upfront costs would fall on retailers who might have to wait two months to be reimbursed by the Treasury. For many small retailers that is simply not viable, and if petrol stations in remote areas are forced to close, motorists will have to travel even further to fill up their tanks. I would appreciate a response from the Minister about how that could be avoided if the pilot schemes for rural islands are introduced.

Mr Reid: The hon. Lady has referred to the original consultation proposals, which the Government quickly changed because of feedback from retailers and the cash-flow problem that would have occurred. That feature is no longer in the revised proposals, so the issue has been solved.

Kerry McCarthy: I thank the hon. Gentleman for that clarification. It seems that the briefings from people lobbying on the issue are slightly out of date.

In conclusion, the Government's efforts to reduce the burden of high fuel bills on households and businesses seem to have run out of steam, rather like a car running out of petrol. Ministers continually try to ignore the fact that their VAT rise has had the greatest impact on petrol and diesel prices by adding almost 3p to the price of a litre of petrol and £450 to the average family's annual bills. As we know, VAT has a disproportionate impact on those who can least afford it, and evidence shows that that is harming the economy. The Treasury is happy to ask the EU for a derogation on fuel duty for the remote Scottish islands but, as we have heard today, people's budgets all over Scotland and around the UK are being put under pressure by the cost of petrol and diesel, and the Government refuse to listen.

Mr Jim Cunningham: Does my hon. Friend recall that after the 1997 election, the first thing the Labour Government did was cut VAT on fuel? That helped fuel poverty.

Kerry McCarthy: I recall that, and there are various other examples. Hon. Members are keen for the Minister to respond so I will not elaborate on that point, but the fact is that the Government have not even tried to get a derogation from the EU on fuel prices. Opposition Members argue that the rise in VAT earlier this year is having a seriously damaging impact on the economy and, at least in the short term until the economy recovers and economic growth returns, that it should be reversed.

I have posed a number of questions to the Minister, and I look forward to hearing not only a recognition that fuel prices are impacting on families and warm words about how the Government appreciate that people are being hit by the cost of fuel, particularly in rural or remote areas, but something clear about what the Government intend to do. The 1p cut in duty is incredibly insignificant in the grand scheme of things, and the Government must act because people and businesses are suffering. It is time for action.

12.13 pm

The Economic Secretary to the Treasury (Justine Greening): It is a pleasure to see you in the Chair, Mr Dobbin, into which you seamlessly moved during the course of the debate. First, let me congratulate the hon. Member for Central Ayrshire (Mr Donohoe) on securing the debate. As the shadow Minister, the hon. Member for Bristol East (Kerry McCarthy) said, the House has had a number of opportunities to debate the pressures that the high cost of petrol puts on individuals, families and businesses. The Government continue to view the issue as incredibly important, and the hon. Member for Central Ayrshire was right to raise it. In the time that remains, I will do my best to respond to

the points that he raised, and those raised by my hon. Friends. I also hope to provide an update on some of the questions raised about the rural fuel duty discount.

Even though average pump prices fell slightly over the summer, there is little doubt that the cost of fuel remains a difficult issue and concerns many families and businesses across the country. The Government have recognised that for some time, and as hon. Members will know, in the Budget we announced a second rise in the personal tax allowance that aimed to take more people out of income tax altogether. In total, that benefited about 23 million or 24 million people who pay the lower rate of tax on their household income. The Government have worked hard to recognise and tackle the cost of living.

There were extensive debates in the House and the Finance Bill Committee about the cost of fuel and the Government's plans to support motorists. I welcome the opportunity to revisit those issues, but before I address some of the points raised today I want to explain why the Government acted as they did in the Budget, and set out why the approach proposed by the Labour party is not only illegal but unworkable. Perhaps if I explain to the Chamber why I believe that to be the case, we can put the issue and the alternative proposals to bed once and for all, and perhaps I can save Labour Members from continuing with the hole they are digging in pressing for them, although that is obviously up to them.

The coalition Government recognise that motoring is an essential part of everyday life for many households and businesses. The cost of fuel affects us all and the Government recognise that the rising price of petrol has become an increasingly significant part of day-to-day spending. We know that high oil prices are causing real difficulties in trying to ensure that motoring remains affordable, and it is important that when shocks such as the steep rise in the price of oil occur, a responsible Government are able to listen, consider and respond.

The hon. Member for Bristol East mentioned the fuel duty escalator. That was introduced in the 2009 Budget by the previous Government and involved seven increases in fuel duty. The previous Government had planned for an above-inflation increase at the start of April—that was the position we inherited, and we had to make a decision about whether to go ahead with the pre-planned rises left by the previous Government. Had we gone ahead with those rises, pump prices would, on average, have been 6p per litre higher than they are currently. I take on board many of the points raised by the hon. Member for Central Ayrshire about the impact of high petrol prices, but he must recognise that had we done nothing, that extra 6p would only have created more pain for motorists and businesses. On top of that—let us be clear—the plans that we inherited would have introduced further above-inflation increases in duty in 2012, 2013 and 2014. On taking office, we had to come up with a plan to support motorists, because the previous Government did not have one—it was the exact opposite.

From the start, the coalition Government have been actively looking at how we can ease the burden on motorists, although that is incredibly challenging given the constrained and difficult fiscal situation that we inherited. One of the first things we did, as the hon. Member for Coventry South (Mr Cunningham) mentioned, was ask the Office for Budget Responsibility to look at how high oil prices flow through to impact on the economy and try to understand that. As the hon. Gentleman pointed out, we were concerned to understand the impact on businesses and jobs. That was part of our work in looking at how we could construct a fair fuel stabiliser, which I will come to in a moment.

As part of the Budget, we finally announced our plan to ease the burden on motorists with a £1.9 billion package. The Government listened to hard-pressed motorists and businesses and acted. What did we do? We acted by cutting fuel duty. The hon. Member for Central Ayrshire clearly wants us to go further in cutting fuel duty, but he should at least be able to welcome the fact that we have already cut fuel duty by 1p a litre from 6 pm on Budget day. We acted by cancelling the previous Government's plan for a fuel duty escalator for the rest of the Parliament. We acted by introducing a fair fuel stabiliser that will better share the burden of high oil prices between motorists and oil companies, so fuel duty will increase by inflation only when oil prices are high.

Mr Donohoe: Does the Minister accept that there is a correlation between the duty and the increase in VAT? Indeed, the cost of the VAT increase to the motorist was 2.8p a litre. If the Government are to do anything to redress the imbalance, it is that amount, not the 1p that she talks of, that should be taken from the price, because the consequence of increasing VAT to 20% has been an increase in the price to the motorist of 2.8p.

Justine Greening: I take the hon. Gentleman's point. The issue was raised of VAT being applied to the total price of fuel, including fuel duty. For clarification, that is in line with EU rules. That is the reason why that approach is taken. However, I will say two things to the hon. Gentleman. First, we have introduced a £1.9 billion package to support motorists. Secondly, I have heard a number of Opposition Members bemoan the increase in VAT, but they have had several chances in the Division Lobby to vote against that VAT rise and they have not taken them. I would be happy for any hon. Member who voted against the VAT rise to intervene on me now, but having checked *Hansard*—*[Interruption.]* Let me be clear that I am not referring to the Scottish National party contribution to this debate, because of course it called the vote. I think that both I and the hon. Member for Na h-Eileanan an Iar (Mr MacNeil), who represents the SNP, would recognise that the Labour party abstained in that vote and did nothing, despite its words. It never followed them up with action. Those Members owe it to their communities to be a little more frank about the fact that they waved through the VAT increase themselves.

Graeme Morrice: Who put VAT up to 20% in the first place?

Justine Greening: I did not hear the whole of that intervention. I am sure that if the hon. Gentleman repeats it, I can respond.

Graeme Morrice: Who put VAT up to 20% in the first place?

Justine Greening: Well, of course, that is one of the key measures that we had to put in place—*[Interruption.]* The hon. Gentleman laughs, but he is—

Graeme Morrice: You did it.

Justine Greening: I would rather be in my position, voting for things that I believe in, being clear to my constituents and accountable and being part of a Government who are tackling a huge fiscal deficit. I think it is the worst fiscal deficit handed to any incoming Government. It is one of the deepest seen in a developed country.

Graeme Morrice: Caused by the banks.

Justine Greening: It was not caused by the banks, actually. Let me explain to the hon. Gentleman what a structural deficit is. Even in the good times, the previous Government were spending more money than they were taking in taxation. That did not have to do with the banks. The banks simply dramatically exacerbated that problem. That was what we were talking about when we said that the previous Government did not fix the roof when the sun was shining. My point is that there is no point in Opposition Members complaining about the VAT rise when they have not taken the opportunity to vote against it. I think that most people in Britain would think that that was slightly disingenuous.

Graeme Morrice *rose—*

Justine Greening: I will give way again if the hon. Gentleman wants to keep digging his hole.

Graeme Morrice: But we are not in government. When the sun was shining, we built schools and hospitals and improved public services. We spent the money on the people's priorities. The current Government are now cutting that.

Justine Greening: There are many people with schools in their constituencies—I can certainly think of one in mine—that saw none of that investment. Frankly, it is easy to spend, spend, spend. That is the Labour party's legacy to Britain—a debt that is so high that it is costing taxpayers £120 million of interest every day. It is always the same. Let us not forget that the other legacy was unemployment that was 400,000 higher.

Anas Sarwar *rose—*

Kerry McCarthy *rose—*

Justine Greening: I will give way to the hon. Gentleman, but then I would like to make some progress and talk about fuel, because that is clearly the point of the debate. However, I am happy to have a debate on the economy, because many people in Britain recognise exactly whose fault it is that the economy is in the state that it is in today—it is the fault of the Labour party.

Anas Sarwar: I give the Minister some credit for being able to rewrite history in the way that she has. Can she tell me why the Conservative party supported Labour's spending plans before the financial crisis?

Justine Greening: You always know that you are making progress in an argument, Mr Dobbin, when people have to turn back to things that happened decades—*[Interruption.]* Opposition Members can make this into a political issue. I would like to make it into an issue that involves people outside this place. Frankly, if those in the Labour party had spent less time arguing among themselves, as we now know they were doing, and a little more time moving away from political stunts to manage the economy responsibly, perhaps the public finances in this country would not have been in the mess that they were in when they were handed over to us at the last election. *[Interruption.]* An Opposition Member says, "You are in government." Yes, there's a good reason for that—because the British people had just about had enough of the Labour party being in control of the purse strings. I think we all hope that it will be an awfully long time before it is given control of the purse strings again. *[Interruption.]* I now want to make some progress on fuel duty and I particularly want to *—[Interruption.]*

Jim Dobbin (in the Chair): Order. Could I ask hon. Members to behave themselves?

Justine Greening: Thank you, Mr Dobbin. I want to make some progress on fuel duty, because that is the key concern in our minds today. The issue of hauliers was raised. The package that we introduced has meant that hauliers have been able to benefit on average by about £1,700 a year.

Mr MacNeil: I know that time is getting on—we meandered down a funny road there. I want to pull the Minister back to two important points. First, when are we likely to see the rural fuel derogation in place? That is very important. Secondly, does the Minister have any sympathy with my point of view that I am tired of the red and the blue sheriff and I would like to see some of this controlled in Scotland?

Justine Greening: We will update the House very shortly on what is happening with the rural fuel duty discount. We have made progress with the European Union. That will be good news for the hon. Gentleman. It will mean that we can get on with our pilot. I am sure that he very much welcomes that. In terms of other issues raised by the hon. Member for Argyll and Bute (Mr Reid), he will be aware that of course his islands will be part of that pilot. As he pointed out, we have within the Treasury met stakeholders—petrol retail associations and of course regional owners and operators—to talk about how we can ensure that any rural fuel duty discount scheme works effectively. I think that we are making good progress with that. Clearly, whenever we bring in such a scheme, we must ensure that we understand that it will do what we want it to do and that it will work in the way that we want it to work. We want it to be of help. We were therefore keen to sit down and work through some of the issues that came up, for example, in relation to cash flow. It is also important to ensure that the scheme is not administratively over-burdensome. We are making good progress with those discussions. We have made good progress with the EU. Perhaps we will be able to give further details of that in coming days.

Finally, I want to point out once and for all why it is simply not possible to go down the route of creating a separate VAT rate for petrol. I am surprised that I still hear the Labour party talking about that. We rejected that proposal for a number of reasons. One was that it

would take six years—possibly more—to come into effect. The other was that it is illegal, because fuel is standard-rated in terms of VAT, as part of EU rules. If we want to reduce the rate of VAT on fuel, we need a revision of the VAT directive. In fact, we would have to have unanimous agreement from all member states, and the European Commission would have to approve. As I said, it could take six years or more. I say that because that is what the French found when they sought a reduced VAT rate. Just in case that is not enough of a problem, the EU has also agreed a moratorium on revising the VAT directive. That was agreed under the previous Chancellor of the Exchequer. That route is not the route to help motorists, whereas the route that we took of a £1.9 billion package to support motorists was.

Radar Industry

12.30 pm

Mr Andrew Turner (Isle of Wight) (Con): Before I begin, I thank you for calling me to speak, Mr Dobbin. I also thank my hon. Friend the Minister for coming to discuss the future of radar. I have asked for the debate because my attention has been brought to a situation in my constituency involving BAE Systems and the procurement of radar systems by the Ministry of Defence.

Since 1940, Britain has been at the forefront of international research and development when it comes to radar. That heritage, along with our experience, knowledge and unsurpassed expertise, is routinely admired by militaries and Governments across the world. BAE Systems has been in the vanguard of the highly specialised radar industry for more than half a century. As the most significant UK company in the field, it is almost singlehandedly responsible for having put us in our current enviable position. At the same time, it has worked tirelessly with the Government, and particularly the MOD, to ensure that the nation is secure from airborne and seaborne threats. Additionally, it has provided skilled employment to a multitude of people and an unsurpassed graduate scheme, and it has generated huge sums for the taxpayer. It is also one of the largest private employers on the Isle of Wight.

Globally, the market for radar technology is £5 billion a year, with 20% coming from the US, and the majority of the balance coming from other markets. As a result of our highly regarded skill in the sector, UK radar products are now installed in approximately 100 countries, and the majority of those products are believed still to be in active service. BAE is the primary UK supplier of radar technology to global customers, but international competition is strong from the likes of Lockheed Martin, SELEX, Thales and Raytheon. If developed correctly, the UK has obvious political and economic advantages, which will allow BAE to remain a market leader.

On the island, BAE employs 290 people. In its radar business, it employs 510 people across the UK, and it has additional sites in Chelmsford, Portsmouth and Dunfermline. In 2009, an Oxford Economics report on BAE assessed its financial contribution to the UK as being more than £78,000 per full-time employee, which is 85% higher than the national average and 34% higher than in manufacturing in general. In the same year, it was estimated that BAE spent £4.1 billion paying for equipment, components, raw materials, rent, energy and other services from UK suppliers. That meant that for every 10 BAE jobs in the UK, another 12 were created in the supply chain. One example is a company called Pascall Electronics, which is also on the Isle of Wight, and that is just one of many local Isle of Wight suppliers in BAE's supply chain.

Those figures cannot be ignored. The economy and defence of the UK, and the population of the Isle of Wight, simply cannot afford to lose the radar industry. Recently, however, events have conspired to threaten the current situation, and this incredibly specialised and niche manufacturing industry is in danger of being lost. The first reason for that is that a number of large long-running programmes have finally been finished. They have been delivered to the MOD after years of extensive planning, research, development, trials and

[Mr Andrew Turner]

testing. The most notable are Sampson, which is in the Type 45 destroyers, and the forthcoming Artisan RT997, which will be in the Type 23 frigates. Sampson has been universally recognised as a world leader, and Artisan has benefited greatly from the reuse of parts of the same technology. Consequently, it, too, has been designed to be extremely competitive in the global market. That has particular significance because both systems are designed and constructed on the Isle of Wight.

As those contracts with the MOD come to an end, BAE's work load in the UK has decreased. There is simply not enough work to sustain such high employment and the range of specialist skills required for further development. BAE therefore recognises that it must focus on its international markets to avoid redundancies. Additionally, the MOD has chosen to take delivery of an off-the-shelf system from the US company Lockheed Martin rather than a BAE system to cope with the modern problem of offshore wind farms. That was done instead of working with BAE to mature a wind farm solution that could have been made available through its existing radars.

Having made that observation, let me quickly stress that the company appreciates the MOD's logic in making that particular decision at that particular time, but the side effect has been to create genuine concern. If the MOD is planning further purchases of off-the-shelf products from the US or any other foreign supplier, and BAE so much as appears to fall out of favour with the MOD, its opportunities for export business will be adversely hit. The reason for that is that when potential clients abroad look at BAE products, they judge their worth by the standards of the UK. Has the MOD bought these products? Does it endorse them? Should the MOD cease to work in partnership with BAE, it will indirectly, and probably irreparably, damage the company's credibility in foreign markets.

Should global sales in BAE start to diminish, it is likely to do what companies do when sales decrease—make employees redundant. Should it then go as far as deciding to cease work on radar, the MOD will simply lose the only technical experts in the field of radar in the UK. The inevitable outcome will be a huge increase in the costs of through-life care for the MOD's current radar fleet, because it will have to pay a foreign company to keep it running.

The possibility that a company might lose international credibility and have to lay off staff is not a reason in itself for the MOD to purchase equipment from any defence company, let alone BAE. Indeed, BAE is not asking for handouts, subsidies or guarantees of sales at some point in the future—far from it. It recognises that having just come to the end of some very long-term programmes, the MOD has no need to buy further equipment. It accepts that there will be a competition for the replacement of the rest of the air defence system in 2017, and it is confident that its entry in Project Vigilance will be of the highest standard. However, it feels a firm appreciation of the relevant issues by the MOD is vital for the protection of the UK radar industry's future. The most cost-effective method of developing the next generation of radar defence for the UK is by defining a cohesive and credible long-term partnership with the MOD. That was demonstrated successfully with the last projects, and those before them, including the multi-function electronically scanned adaptive radar and advanced radar technology integrated system testbed programmes. I also fervently hope to protect the employment of my constituents, and those constituents of my colleagues who are also affected by the issue.

I want to make a final point. Radar has defended our country definitively at least once, in 1940. It is likely that it has done so on many other occasions that are not in the public domain and it is more than likely that it will do so again. I pose this question: is it not essential that the radar technology our military are asked to use should be of British origin, in research, design and manufacture? It makes perfect sense to me that the company that we use to develop such sensitive technology should be British-based, like most of its employees. What would happen if there were to be an incursion into our airspace by a foreign power and the UK Government did not have the control and flexibility that we enjoy today, because the designs were not British? Many might scoff at that suggestion, and say that surely it makes no difference which of our allies makes our radar. It probably does not at the moment, when our airspace is not being challenged on a daily basis, but none of us knows what will happen in the future. Why should we take the chance when there is a world-class company specialising in the area in question, native to our country? Why would we even think about taking the risk? That would not only be imprudent, but would smack of recklessness.

No one is asking the Government to help one company over another, to provide subsidy or even to point fingers and lay blame about previous decisions that have affected a company's reputation. By continuing to ignore those companies in the UK that add genuine value to the economy, are recognised world-class providers of technological solutions, carry the British brand globally, employ large numbers of people and, in the case of BAE Systems, are integral to the very defence of the United Kingdom, we will end up cutting off our nose to spite our face.

12.43 pm

The Parliamentary Under-Secretary of State for Defence (Peter Luff): I begin in the customary way, but entirely sincerely, by congratulating my hon. Friend the Member for Isle of Wight (Mr Turner) on securing the debate. I am always impressed by the diligent way he represents his constituents' interests, and I hope to encourage him by showing that there is a significant amount of work for British radar companies both here and overseas.

I hope that my hon. Friend will forgive me for saying that he gave a rather half-empty view of the radar world and the future of the British industry. I hope to persuade him that the glass is comfortably more than half full. The future of the British radar industry is an important topic and I am pleased to be able to share with the House all the good work in which the Government are involved, in support of that industry. My hon. Friend will understand that success has many fathers and failure is an orphan, and in that spirit I offer the thought that, as a Worcestershire Member, I look towards Malvern's proud role in the development of British radar systems; I take a close interest in the development of radar.

The defence and security of our nation and people are the primary responsibility of Government, and defence is, as will be appreciated, my primary interest. There is a vital requirement for the detection of airborne assets entering and travelling through UK airspace, as my hon. Friend emphasised in his excellent speech. Radar is the primary tool used for such detection, whether for the tracking of co-operating civil aircraft or the detection and engagement of potentially hostile aircraft. UK companies such as BAE Systems, SELEX and Thales supply many of the radars that we rely on for that critical role. I want to emphasise that: I regard SELEX and Thales as British companies, and later this afternoon I will receive a delegation from colleagues in the House, making the case for SELEX, and will be visiting its excellent offices in Edinburgh on Monday to see its radar work. However, my hon. Friend is right to recognise the proud record of BAE Systems as well.

Our armed forces operate across the world—not just in Afghanistan and Libya, but also in our permanent bases overseas such as the Falkland islands. Accordingly, radar technologies sourced from British companies are deployed by our armed forces around the world, so we recognise the importance of radars across a range of military systems. They are a critical element of our air defence capability, supporting operations on land and sea and in the air. Recent operations over Libya have clearly demonstrated the effectiveness of commanding the air domain. Radars are required for combat systems working alongside our complex weapons from ships, submarines and aircraft as well as troops on the ground, so our ability to sustain and develop those systems, including our ability to respond rapidly to emerging and evolving threats, is essential to our operational effectiveness. On that point, there is nothing between my hon. Friend and me.

I am glad to reassure my hon. Friend that the UK's industrial capability is critical to meeting the vital defence requirement that I have outlined. Indeed, we are working with BAE Systems and other UK industrial players, together with our scientists in the Defence Science and Technology Laboratory, better to understand the issues and to share our thinking regarding the evolving requirements—and they can evolve quite fast. That is very much in the spirit set out in last year's Green Paper on technology, equipment and support. We enjoy a close and productive working relationship with our radar suppliers and look forward to maintaining that in the years ahead, so I was slightly disappointed by the way my hon. Friend characterised our relationship. I hope that BAE Systems feels that it has a constructive relationship with us.

On my hon. Friend's points on air defence radars and wind farms, I must stress that the provision of up to three proven wind farm-tolerant radars by the wind farm developers, removing the objections of the Ministry of Defence to those wind farms and releasing significant renewable energy potential, is seen across Government as very encouraging. My ministerial colleagues have worked hard to achieve that. Indeed, the Secretary of State for Energy and Climate Change has acknowledged that work, which has been achieved by co-operating across Government, and with industry, to reach an outcome that is beneficial to our national security, energy security and decarbonisation goals. Furthermore, it is not the case that the UK's air defence radar network will be made up of a foreign fleet in the future. I am assured that UK industry is developing a wind farm-tolerant air defence radar, and I welcome that.

There are many radars in service with our armed forces. Some examples are long-range air defence sensors, medium-range air defence systems, Type 45 air defence sensors—my hon. Friend referred to the Type 45—and air traffic control sensors, many provided by UK companies, including BAE Systems. In the long- range sector, UK BAE Systems produces the Type 101 and 102 radars used in support of the defence of the UK. In air traffic control there is UK involvement in the Watchman radar—again with BAE.

However, it is in ensuring the future capability and reach of the Royal Navy that UK companies stand out. I am happy to endorse what my hon. Friend said about the Sampson multi-function radar fitted to our newest class of destroyers, the Type 45, which, incidentally, is supported by MBDA UK and BAE Mission Systems. I want to make the point that support is extremely important. My hon. Friend should not concentrate only on manufacture, although I understand its importance for his constituency. The supporting of radars is also hugely important, and it brings many important jobs. It is an important skill for the UK.

Also in the Type 45 class of ship there is the Thales long-range radar, which is supported by BAE Mission Systems, and the Royal Navy's next generation of radar capability, the UK company BAE Mission Systems radar—the RT997. The contribution to the Royal Navy's current capabilities by UK companies is evidenced by the BAE mission systems radar 909, fitted to Type 42 destroyers and mainly supported by the same British companies. There is also the RT996, which is fitted to many ships throughout the fleet, including Type 23 frigates and destroyers, amphibious support ships and Illustrious, for which in-service support is provided through an award-winning long-term contract with a UK company. There is no shortage of business here, especially for UK companies.

Penny Mordaunt (Portsmouth North) (Con): I thank the Minister for giving way. Does he agree that, when deciding whether to buy in the UK or from overseas and where to invest in research and development, we should be thinking about the export market, how many can be built over a particular cycle, and whether the technology is genuinely innovative? The examples that he gives fit into all three categories.

Peter Luff: I agree with my hon. Friend. I hope to talk later about exports and our export ability, an important part of the future of the UK's radar industry. One of the major changes that we seek to achieve through our acquisition strategy—not only in radar but across the board—is to ensure that the exportability of a product developed for UK purposes is considered early in the life-cycle and acquisition process. When investing in capability for the British armed forces, we should develop a capability that has a ready export market. My hon. Friend is right to emphasise that point, and I shall return to it.

I turn next to a future capability referred to by my hon. Friend the Member for Isle of Wight. Project Vigilance will provide an upgrade to existing air defence radar systems, with the opportunity for industry to

[Peter Luff]

compete for those elements of the air defence radar system that need replacement. The project is still in its early days, and its exact scope and requirements are still being decided.

Project Vigilance is currently planned to sustain the long-range surveillance and air defence capabilities provided by the T101 and T92 radars, which allow United Kingdom air surveillance and control system force command and chief of joint operations to detect, track, identify, monitor and, if necessary, take action against objects flying within, approaching or adjacent to UK and Falkland Islands airspace. Work to develop the strategy is under way.

Given the financial climate, taking an incremental approach to Project Vigilance will ensure that existing sensors are utilised to full effect, the whole air defence network is coherent and each reaps maximum benefit from other interlinked projects. That applies not only to MOD projects, but to other Departments' initiatives and requirements, including the need, whenever possible, to enable the use of renewable energy; I say "whenever" to emphasise the great importance that we attach to that.

Surveillance data are not limited to military air defence radars; information comes from a multitude of sources that includes military and civilian air traffic management radars, and links to NATO air defence sites and tactical data links from air, surface and land platforms. Again, industry has been and will be invited to compete in these and other projects.

Moreover, the utilisation of a plethora of data sources not only provides resilience, but allows defence to optimise the air defence radar footprint to ensure that an appropriate level of redundancy is met. We must have the capacity to ensure that we can carry on doing what we need to do in adverse circumstances. It is on this foundation that the air command and control strategy is being developed, but we recognise the need to ensure that value for money is obtained from the Project Vigilance procurement strategy, as my hon. Friend would wish.

There is also good news on another radar project. Project Marshall is a large and wide-ranging project for the provision of terminal air traffic management, essentially the provision of air traffic services to military and civil aircraft operating in and out of Government aerodromes. Air traffic control services are currently provided to 70 MOD-owned airfields and air weapons ranges through the use of a wide range of equipment located on more than 100 locations in the UK and overseas.

Project Marshall has four key objectives. The first is to ensure a safe and enduring terminal air traffic management capability; the second is to address issues of equipment obsolescence through a programme of capital investment; the third is to address regulation changes and make provision for emergent regulatory issues; the final one is to rationalise arrangements to benefit from associated efficiencies and savings. This transformation project will ensure that military air traffic control services continue to be operated in a safe manner, while complying with relevant legislation. The new services are planned to commence in 2014, and several UK companies are involved in the ongoing competition.

There is more good news, this time on the naval side. I have already highlighted some of the support that the Royal Navy receives for radars from UK companies. Five types of primary and secondary navigation radar are fitted to Royal Navy surface warships and submarines. I recognise the excellent support that a range of radar contractors have provided over recent years in maintaining the primary and secondary navigation systems used by the Royal Navy.

As for the future, the navigation and situational awareness radar is planned to replace 1007, which is fitted to most Royal Naval vessels; it is being designed to provide primary navigation and sustained situational awareness on surface warships. The project is in its assessment phase and, against current plans, the radar system is due to enter service in 2016.

I turn next to the air sector. I bear in mind what my hon. Friend the Member for Portsmouth North (Penny Mordaunt) said about exportability. Our highly capable Typhoon aircraft have long been served by the mechanically scanned, or m-scan, Captor radar, which is produced by the four partner nations on the Typhoon project. However, as the defence environment evolves, no matter how good those mechanically scanned radars are, they are having to be replaced by electronically scanned, or e-scan, radars, which provide increased detection and agility against a wider range of targets and a less easily countered capability.

In partnership with our Typhoon partners and industry, we are developing an e-scan solution that will further enhance Typhoon's capabilities well into the 21st century. Industry has played, and continues to play a full, active role in achieving the optimum solution on e-scan. Not only will e-scan result in a capability leap for the UK Typhoon fleet, but it will further the chances of success for Typhoon in the highly competitive fast-jet export market, where e-scan is a key discriminator for many export customers. For example, the Indian Government order depends on the development of the e-scan radar, and we attach great importance to winning it, as it will represent a lot of business for UK industry—not only in radar, but across the aerospace sector.

We must not forget exports. There are significant opportunities to supply civil radar, for airports and air traffic control services throughout the UK. There will be an increasing demand for solutions that can mitigate against interference from wind farms. There are also increasing opportunities overseas, driven by airport expansion and upgrades in markets such as Brazil, Russia, India, China and the middle east. UK strengths in civil radar and air traffic control solutions, which my hon. Friend the Member for Isle of Wight rightly emphasised, mean that we are well placed to make the most of these prospects—but in a responsible manner, consistent with the UK's export controls. UKTI can help UK companies sell overseas through a range of support, including trade missions, overseas exhibitions and inward buying missions. I encourage UK industry to make the most of these opportunities. Although I suspect that BAE systems needs no such encouragement, I encourage it none the less.

The defence and security equipment international exhibition takes place in Docklands this week, and it will showcase UK industry on the world stage. My ministerial colleagues and I will use that event to meet a large number of overseas Government delegations; high on the agenda, if not at the top, will be defence exports and the scope for the UK to engage in greater industrial

partnerships across the globe. There are a number of attractive export prospects for UK radar systems, from a range of British companies, including those companies that I mentioned at the outset. It is a diverse sector. For example, UKTI DSO is already actively supporting BAE Systems with a campaign in Qatar.

In summary, I assure my hon. Friend and the House that we remain committed to supporting the future of the radar industry. To me, the future of the industry looks exceptionally bright. My hon. Friend has every reason to be confident about it, and about the future of his constituents.

Gaza (Aid)

12.58 pm

Michael Connarty (Linlithgow and East Falkirk) (Lab): I gave you a note, Mr Dobbin, to say that we may be joined by others who have recently been on a trip to Gaza. Should they make it here—they are currently in other Committees—they would like to speak in this debate, rather than just intervene. If the Minister agrees, I should like to end my contribution early so that they can tell us about the recent events that they have seen with their own eyes.

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): I am grateful that I have been given that notice. It is fine for those Members to speak, provided that we keep roughly to the same split of time.

Michael Connarty: Mr Dobbin, it is my intention to give the Minister adequate time to speak.

Having been to Gaza on five occasions, I feel that I should say a word about the people there. I was lucky enough to be a monitor at the first democratic elections in Gaza city. At all times, the people were unbelievably welcoming, friendly and tremendously supportive and I was much buoyed up by my meetings with them. On my last visit, we went to Beach camp. I was very ill—an allergy that I suffer from kicked in while I was there—and I found the people to be unbelievably hospitable and caring. They looked after me very well. I have nothing but the highest regard for them; they were kindness incarnate. It is those people whom I want to talk about in this debate.

First, though, I must talk about the context in which such recent visits have taken place. Deep concerns have been expressed, and continue to be expressed, about the impositions placed on the people of Gaza and the humanitarian effects of them. In the second democratic election, the people of Gaza chose to elect a Hamas majority Government. Since then, there have been tremendous controversies. I join others in condemning not only the inability of that Government to stop the firing of rockets into the Israeli territories and households, but the unbelievable excessive force used in retaliation by the Israeli Government, which has killed more than 1,000 people and destroyed many of the basic facilities required for humanitarian reasons.

There has been strong condemnation from the Turkish Government over the killing of nine Turkish citizens on the aid flotillas. They have now said that they will defend the flotillas taking humanitarian aid to Gaza if they are carrying Turkish citizens. The problem has been caused by Israel's appalling blockade of Gaza. Access to the Gaza strip remains severely restricted. Only the Kerem Shalom crossing is functioning, although it has recently been subject to Palestinian industrial action, which is in protest at the recent closure of the Kami crossing. The Gisha Legal Centre for the Freedom of Movement notes that Kerem Shalom can accommodate 250 trucks per day in both directions, compared with 1,000 trucks in both directions at Kami, so that is clearly severely restricting the amount of aid going into Gaza.

[Michael Connarty]

In September 2009, the IMF directly attributed the continuing restrictions on access to Gaza as a prime reason for the continued high unemployment rate, low growth and high inflation. Gaza could reach growth rates of 7 to 8% if the economic blockade were lifted. As for the children of Gaza, one in three is anaemic and one in 10 is malnourished. The Food and Agriculture Organisation of the UN classes 61% of Gazans as "food insecure" and the United Nations Relief and Works Agency reports that 80% of Gazans rely on some form of aid.

A report published in January 2011 on the website of the Norwegian newspaper *Aftenposten*, which has access to documents obtained by Wikileaks, makes it quite clear that the Israeli Government are determined to starve the economy of Gaza to bring it to the point of collapse. If people cannot sustain their own economy, the need for aid grows and grows, and that is a strategy that the Israeli Government are clearly using. That is wholly unacceptable.

The report said that a shortage of Israeli shekels in Gaza has continued to be an issue. Last July, Tony Blair, speaking in his role as representative in the middle east, said that he welcomed

"Israel's decision to allow the entry of 50 million shekels into Gaza as well as the exchange of 31.5 million shekels of spoiled banknotes".

The pressure is on Israel. This is about not just starving people of basic materials that the international community would give them or that people would be able to trade, but trying to break the economy in retaliation for people exercising their democratic right, which we are always espousing, to choose a different Government.

Let me put on the record the names of all those Members who went on the visit in July 2011. They are my hon. Friends the Members for Manchester Central (Tony Lloyd), for Ayr, Carrick and Cumnock (Sandra Osborne), for Kilmarnock and Loudoun (Cathy Jamieson), and for Edinburgh South (Ian Murray), and Lord Warner. Before I quote from their reports, I also want to put it on the record that the right hon. Member for Rutland and Melton (Mr Duncan) was the first Minister to visit Gaza in the last decade. I hope that the Under-Secretary of State will follow that example and go to Gaza to meet the people.

Guto Bebb (Aberconwy) (Con): The difference between Israel's attitudes to the Gaza strip and the west bank might be because it faces more of a threat from the Gaza strip. As for the recent visit to the west bank, my understanding is that the economic growth in that part of the Palestinian authority is about 12% per annum. Clearly, the message is that if the Palestinians can restrain the violence being shown by Hamas in Gaza, economic growth in Gaza might be much greater.

Michael Connarty: Even when I have visited some of the worst regimes, I have always been impressed by the tremendous entrepreneurial ability of the people of the Palestinian nation and their tremendous thirst for knowledge and high skills. We see them all around the world. We have quite a number in Scotland who contribute to our economy.

If we look at what has happened on the west bank, and such things have been well recorded, we see that the people have to manage in very straitened circumstances, especially given the Israeli Government's attitude to land, roads and water. Even in the west bank, the people live under a penal regime. In Gaza, there is an attempt to starve out and harm the ordinary people in retaliation for what is the unacceptable use of rockets.

Everyone recognises that Israel has used disproportionate force. We cannot just blame Hamas. The circumstances are set by the occupying nation, which is Israel. That may change shortly, because there will be an attempt in the UN to recognise the nation of Palestine as a state. Hopefully, that will change the attitude of the people in the UN—perhaps not in the Security Council. It will help Hamas and Fatah to try to create one non-violent approach to unity and to statehood.

Let me turn now to the situation that our colleagues found when they visited Gaza in July. The blockade clearly aims to cause great harm to the people's ability to generate income and run their own economy. The effects of denying them the supplies that they require to function were quite stark. My hon. Friend the Member for Kilmarnock and Loudoun said that it took them three hours to get into the occupied territories. Some of the Palestinians who were waiting at the crossing to get through had been waiting for days.

The imposition was deliberately put in by the Government. On a positive note, my hon. Friend said that when she spoke to women's groups, voluntary organisations, small businesses and trade unions, she found a tremendous sense of activity within the community to overcome the burden placed on them. The people are not lying down with their hand out waiting for someone to come to their aid; they are a very determined people who are attempting to live under these terrible conditions and to do their best.

None the less, the reality is that the people cannot generate much of their own wealth—50% of factories were destroyed in the Israeli war in 2008-09. The numbers of employed fell from 135,000 to 15,000; that is a massive drop that impacts on their ability to generate income. As a result, inferior, illegally imported goods are coming through, which create safety problems. They are not of the right quality. Raw materials for manufacturing are difficult to source, so the Palestinian people's ability to save their own economic life is minimal.

Another problem that has always existed in Palestinian communities is the difficulty of sourcing adequate water. The hon. Member for Aberconwy (Guto Bebb) compared Gaza with the west bank. There is a water problem in the west bank, but the water problem in Gaza is probably more extreme. Even when I was last in Gaza, before the latest problem caused by the reaction to the election of Hamas, most of the main water sources had been diverted to Israeli settlements outside Gaza.

That has always been a problem, because the Israeli wells are sunk much deeper than the Israelis allow the Palestinians to sink their wells, so the Israeli wells soak up water from the aquifers. The Coastal Municipalities Water Utility organisation in Gaza has said that, because of the reduction in the flow of the water, the amount of nitrates and the level of chlorine contamination are now rising very fast in the water sources that the Palestinian people have to use. Even when I was last in Gaza, which is some time ago now, doctors told me that children

were beginning to show signs of diseases that had not been prevalent among the Palestinian people for quite some time, and children are the ones who are harmed by using contaminated water.

Another thing that caused me great distress when I was last in Gaza was the fact that people were not being allowed to dump their rubbish by taking it away to somewhere safe; often they had to dump it within the limits of their cities and communities. That meant that, when it rained, material from the rubbish leached down into the aquifers and was then absorbed back into the bodies of the people using water from the aquifers.

Because of the inability to generate enough electricity, the people in Gaza now have problems keeping even the basic facilities running in their hospitals. One of the hospitals in Gaza city is mostly comprised of wards that were built with donations from the families of returning or deceased soldiers from the first world war. Many soldiers recuperated in Gaza city after the terrible Gallipoli campaign and many of the wards in that hospital have plaques on the walls to show that they were built by the British.

To keep those wards running is very important. However, the recent British delegation visited Al Shifa hospital in Gaza city and the members of the delegation were told that kidney dialysis machines have to be disconnected from patients every time the power goes out, meaning that the blood has to be cleaned and the dialysis process has to be restarted every time the power goes out. Dialysis has to be done twice, which is a great imposition on kidney patients.

There is also a major problem in trying to source legitimate building materials, because of the argument put forward by the Israeli Government that certain things, including basic building materials, have dual use and therefore should be denied to the people of Palestine. That argument does not make any sense. For example, radiotherapy drugs for cancer patients are banned, because Israel says—for some reason—that they are a dual use product. I am not quite sure how to extract the small amount of radioactivity from radiotherapy drugs and how it could be used for anything other than medical purposes.

I know, Mr Dobbin, that you come from a medical research background and so you will know that a small amount of radioactive material, with a very low level of radioactivity, is generated by every hospital in the country. I do not see anyone saying that we need to rush around and put that material in a high security facility, so the Israeli attitude is nonsense and an imposition on patients.

Doctors who spoke to the British delegation that visited Gaza recently estimated that in the past year 500 Palestinians have died simply because of a lack of medication; Gazans are simply not being allowed to import medication in adequate quantities. Children and cancer patients are most at risk, as they are denied the treatment they need. For example, we met a young boy with a sickle cell anaemia problem. In this country, we would regard any child who had that problem as being a priority, but that child in Gaza was denied drugs to deal with that terrible disease. Providing those drugs is what humanitarian aid is about.

We must ask the Minister, "When will the warm words and the talking stop? When is all his nonsense about it being all right when we have a negotiated settlement going to stop?" There is a widespread feeling that the Israeli Government do not want to have a negotiated settlement that would give the Palestinians an equal and adequate life, and it is quite clear that we are condoning and colluding in the situation in Gaza. We did not like the result of a democratic election and we have not done enough to try to move from that viewpoint, to a situation where that election result is not seen as a threat but as something that should be absorbed into the discussions about what happens in Palestine.

In all the years since I last visited Gaza, and in the time since the British delegation visited Gaza recently, there seems to have been very little movement, except perhaps for a backward movement in the conditions of the people there. That is a great tragedy and, to be quite frank, in the past it has been a cause of great shame for my party when we were in government; we should have dealt with that situation if we were in any way humanitarian and democratic socialists.

Now the challenge lies with this Government, without regard to party. I hope that they make the choice to change their position so that they support UN recognition of the state of Palestine. But if they cannot do that, I hope that they will do something to argue very strongly for, and win through the UN, a situation whereby it is accepted that it is wrong for Israel to do what it is doing in preventing humanitarian aid and other basic aid from being taken to the people of Gaza by whichever route people choose to take it.

1.15 pm

Jeremy Corbyn (Islington North) (Lab): Thank you very much, Mr Dobbin, for calling me to speak. I will be very brief and I am grateful to my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty) for giving me a few moments to say something.

I have visited Gaza on quite a number of occasions and every time I have come away even more depressed than I was at the end of the previous visit. There was a sort of high point post-Oslo in the late 1990s, when there was an airport ready to function, there were water supply systems, drainage systems were in operation, forests were being planted, trees were growing, agriculture was developing, and there was a high level of employment and a real sense of optimism and hope.

I then went to Gaza in 2005 as an election observer. I have vivid memories of Israeli border guards at the Rafah crossing deciding to shoot into the town of Rafah on polling day. Why did they do that, other than to intimidate those people who were trying to cast their votes legitimately and democratically in that election? I was not particularly surprised at the result of that election. Along with many others, I confirmed that it was peacefully carried out and democratically conducted and that there was no intimidation of voters. So we must recognise what has gone on in Gaza; the situation there is very serious.

On a subsequent visit, I discovered the number of people suffering from mental illnesses and from wholly preventable conditions, because of polluted water supplies and everything else, which indicates that we are dealing not with a natural tragedy but a human tragedy, of human proportions, created by the blockade, the bombardment, Operation Cast Lead and the constriction of supplies. Under the Mubarak regime in Egypt, the

[Jeremy Corbyn]

Rafah crossing was opened and closed at various times. Now it is open most of the time and it is the only way that sufficient supplies can get into Gaza, because the Israeli blockade continues.

In the short time left to me, I want to make a plea to the Minister. I plead with him to understand that the people of Gaza—1.5 million people—are in prison. I plead with him to try to understand what it is like to be a young person growing up in Gaza, knowing that it is only possible to watch the world through television and computers and that it is only possible to listen to the world through radio, because the chances of travel are limited, job opportunities are limited and aspirations are limited. Education in Gaza is often very good; there are very many graduates and people with other educational qualifications in Gaza. That is what breeds the anger and all the problems that I have just outlined.

The pressure must be put on to lift the blockade of Gaza, to recognise the legitimate rights of the people of Palestine, and, above all, to get aid to Gaza as quickly as possible, to deal with what is a developing human tragedy of undernourishment and medical problems, including mental health problems, caused by the blockade. Anything that the Government can do in that respect would be very much appreciated and I appreciate the short time that I have had today to contribute to this debate. I also congratulate my hon. Friend on his contribution.

1.18 pm

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): Thank you very much indeed, Mr Dobbin, for calling me to speak. I congratulate the hon. Member for Linlithgow and East Falkirk (Michael Connarty) on securing this very important debate and I thank him for doing so.

Let me begin by stating very clearly that the humanitarian situation in Gaza is unacceptable and unsustainable. In Gaza, 66% of the people are dependent on food aid; 90% of mains water is unfit to drink, the consequences of which were particularly noted by the hon. Member for Islington North (Jeremy Corbyn), who has just contributed to the debate; and, despite the fact that schools are running on double or triple shifts, 40,000 children have no school place. Gaza's economy is depressed and aid-dependent. There has been strong growth recently, but from a very low base. GDP per capita remains 40% below 1994 levels. At 37%, the unemployment level is among the highest in the world, and 38% of Gazans live in poverty. It is deeply troubling that Gaza, which should have a thriving economy, is currently one of the highest per capita recipients of aid funding in the world.

We believe that the actions of both Israel and Hamas have contributed to the current situation in Gaza. Between 18 and 21 August this year, we witnessed, once again, an alarming escalation of violence: a terrorist attack in southern Israel, more than 100 rockets and mortars launched from the Gaza strip at Israeli civilians, and retaliatory strikes by the Israeli air force against targets in Gaza. Nine Israelis were killed during the rocket attacks, and many more were injured.

We strongly condemn the appalling violence. In Gaza, at least 15 people have been reported killed, including three children, and 44 injured. We have urged the Israeli Government to ensure that everything is done to avoid further civilian causalities. The announcement of the current ceasefire is welcome, and it is vital that both sides now show restraint and seek to reduce the tensions. Like the hon. Members for Linlithgow and East Falkirk and for Islington North, I have been to the region, although not to Gaza itself—that was the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for North East Bedfordshire (Alistair Burt)—but in the southern Israel area the problems are real and continuing.

Israel retains obligations under international law as an occupying power. It controls the majority of Gaza's borders, and sea and air space and, as such, has primary responsibility for facilitating humanitarian access to Gaza. We welcomed the changes to the Gaza access regime announced in June 2010, and the subsequent package of measures agreed by Quartet representative Blair and Prime Minister Netanyahu on 4 February this year. However, recent UN reports show that the measures have not brought any fundamental change to Gaza, with food insecurity remaining high and economic opportunities scarce.

Much more needs to be done to ease restrictions on exports, construction material imports and the movement of people. Israel's commitments on exports that were agreed with the Quartet representative in February 2011 have not yet been met. Increases in imports since June mainly relate to consumer goods, with the number of trucks entering still being only one third of what it was pre-blockade. We understand Israel's security concerns, but the current access regime imposed by Israel has the perverse effect of fostering radicalisation and empowering Hamas, while punishing the ordinary people of Gaza.

Economic restrictions have not brought political change or degraded the military capability of Hamas. On the contrary, legitimate business is being strangled while Hamas allies are strengthened. Isolation and growing frustration at the lack of economic opportunities make extremism more attractive, a point ably highlighted by my hon. Friend the Member for Aberconwy (Guto Bebb) in his intervention. An improved economy and a resurgence of Gaza's business sector are not only essential for the people of Gaza, but firmly in Israel's security interests.

The vast majority of goods entering Gaza come not through the official crossings but through the vast network of tunnels between Egypt and Gaza. Hamas controls the tunnels and imposes taxes on goods passing through them, the money raised forming a large part of their revenue base. As a result of the blockade, UN and non-governmental organisation projects confront constant difficulties in gaining access and in importing construction materials, which means that projects designed to help the most vulnerable people are blocked, delayed or made more expensive. Meanwhile, 30 times more cement and 10 times more steel comes in through the Hamas-controlled tunnels than through the crossings.

Jeremy Corbyn: I hope that the Minister has the opportunity to visit Gaza at some point. I welcome what he says, but does he not acknowledge that the tunnels are a product of the blockade? Without the blockade there would be no point in the tunnels, and there certainly would be no economic advantage in having them. The blockade must be lifted; that is the crucial issue.

Mr O'Brien: I certainly recognise that it is difficult to envisage how the tunnels might have come into being but for there being a difficulty in getting goods to move, so I fully understand the hon. Gentleman's point.

The United Nations Relief and Works Agency reports that at the current approval rate for reconstruction projects, it will take 78 years to rebuild Gaza. Only 28% of its work programme for Gaza has been approved by Israel, and only half of the materials needed for approved projects have entered into Gaza. UNRWA wants to build 100 schools, but at the moment has permission for only 42. The UNRWA schools are vital, because they teach the lessons of the holocaust and of the universal declaration of human rights. If a child cannot get a place at an UNRWA school, he or she might end up unable to go to school at all, or might attend a school with a curriculum approved by Hamas or another extremist group.

What is the UK doing? We continue to press the Israeli Government bilaterally to ease the movement and access restrictions. We have consistently lobbied the Israeli Government at ministerial and official level, in close co-ordination with the office of the Quartet representative and European Union partners. The Department for International Development supports the UN Access Coordination Unit to work with the United Nations, Israel, the Palestinian Authority and aid agencies to facilitate the transfer of vital humanitarian assistance, including medical equipment and supplies, in and out of Gaza. DFID has also contributed to a greater international understanding of the situation in Gaza and the impact of the blockade. Earlier this year, DFID-funded reports by the World Food Programme and the UN Office for the Co-ordination of Humanitarian Affairs provided detailed and impartial analysis of the situation in Gaza, and that has provided a solid, analytical basis for our work with partners in identifying ways to improve the situation.

We are also providing support through our programmes. Immediately after Operation Cast Lead, we concentrated on humanitarian aid, working with the UN, the International Committee of the Red Cross and NGOs to provide drinking water, food, shelter, medical assistance and support for those traumatised by the conflict. Our current work on Gaza addresses the key access constraints, promotes economic growth and provides support to the poorest and most vulnerable parts of society.

The UK supports the Palestinian Authority and UNRWA to provide basic services, such as education and health, to the people of Gaza. About 50% of our support to the Palestinian Authority and 30% of our support to UNRWA benefits the Gazans. We provide 2,400 vulnerable families with work and an income through our support for UNRWA's back-to-work programme, and we help to develop the private sector by supporting 304 small companies in Gaza and generating jobs for more than 1,800 unemployed Gazans. We also provide food vouchers to 5,750 poor households through our support to the World Food Programme, enabling them to purchase the basic food items, such as bread and milk, that they need to survive. We help 24 UN agencies and 132 international NGOs to get aid and goods into Gaza through our support to the UN Access Coordination Unit and the Palestinian Authority's crossing co-ordination committee.

We understand Israel's security concerns, but for a peace settlement to work any future Palestinian state must be economically viable.

Michael Connarty: Will the Government take up with some priority the matter of much-needed medical drugs, particularly for the treatment of cancer? It is ridiculous to deny people cancer-treatment drugs because of the dual-use nonsense.

Mr O'Brien: I am happy to undertake that we will look into that, to see what the situation is and what can be done, not least because of the commitments that I have just listed, particularly our help in ensuring that there are supplies for assisting with medical needs—not just in emergencies, but for ongoing health requirements.

In the last couple of minutes of the debate, I shall touch on the broader process. We in the UK hope that the reconciliation agreement between Fatah and Hamas announced in May this year will lead to the formation of a Government who reject violence and pursue a negotiated peace. We will judge any future Palestinian Government by their actions and their readiness to work for peace.

It is clear that negotiations towards a two-state solution are the only way to meet the national aspirations of both Israelis and Palestinians and to achieve a sovereign, viable and contiguous Palestinian state living alongside Israel in peace and security. We therefore call on both parties to resume talks on the basis of clear parameters, including borders based on 1967 lines with agreed land swaps, security for Israel that respects Palestinian sovereignty, a just and fair resolution of the refugee problem, and Jerusalem as the future capital of both states.

We want the new generation of Palestinians to grow up in hope, not despair, and to believe in a peaceful settlement with Israel, rather than being impoverished and susceptible to terrorist recruitment. We want the next generation of Israelis to live free from the fear of rocket fire, and able to enjoy peaceful relations with their Arab neighbours. We cannot deliver that for either side, but as friends to both the Israelis and the Palestinians, we will work with our international partners to help deliver progress in the peace process. We remain a strong supporter of those who are building the institutions of a future Palestinian state.

UK Environment Capital (City of Peterborough)

1.30 pm

Mr Stewart Jackson (Peterborough) (Con): It is a pleasure to serve under your chairmanship for the first time, Mr Dobbin. I am also delighted to welcome the Minister of State, Department for Business, Innovation and Skills, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), who is doing an excellent job in his ministerial capacity. I am somewhat surprised, as I was expecting the enterprise Minister, the hon. Member for Hertford and Stortford (Mr Prisk), but my right hon. Friend is a more than adequate substitute. This is my opportunity to showcase the city of Peterborough's positive and innovative growth agenda, particularly our aspiration to be the home of the UK environment capital, and to put on record our belief that we have a good case for being the future home of the new green investment bank.

From time to time, I have disagreed with Peterborough city council about the quantity of housing development in the city. I have also expressed concerns, as have many Members over the years, about the correlation between residential development and infrastructure. However, I believe that we are resolving those issues. Peterborough city council, the urban regeneration company Opportunity Peterborough, neighbouring Members of Parliament and I share ambitious plans for the future of Peterborough, which I will elucidate.

Peterborough's population of 170,000 is set to grow to well over 200,000 by 2021, and there are plans to deliver more than 25,000 homes and 24,000 jobs by 2026. A McKinsey report published this year predicted that by 2025, Peterborough would have the highest growth in GDP of any English city. Private sector job growth is vital to the city's economic prosperity and growth. Peterborough's location—just 46 minutes from London by train, with direct links to the north of England, Birmingham, Cambridge and Stansted airport—makes it a nationally and internationally well-connected city that attracts and retains businesses.

The city's economic growth is based on strong sectoral foundations. I will mention its environmental and financial businesses in a moment. Peterborough's manufacturing companies have outperformed many competitors and include global giants such as Caterpillar Perkins, Dresser-Rand and Applied Energy. In printing and media, Peterborough boasts Bauer Media, Europe's largest privately owned publisher, and Ideal World, digital broadcaster to more than 22 million homes in the UK. In food and drink, the full spectrum from processing and packaging to innovation and cutting-edge technology is covered by companies such as Coca-Cola, New Covent Garden Food Co., Masterfoods, British Sugar and AB Agri.

Although nowhere has been wholly unaffected by the recession, Peterborough has performed relatively well, creating over 3,000 private sector jobs in the past year. Investment has continued to head to the city. New high-profile operators such as TK Maxx, Nando's, Patisserie Valerie, Van Hage, Andronicas, Pandora and Superdry have all set up in Peterborough recently, and imminent arrivals such as Kelway IT services and Stobart Group are due to deliver more than 700 jobs.

Given its accessibility, Peterborough's economic growth is available to a wide geographic area. The city has taken a lead role in the development of the Greater Cambridge and Greater Peterborough local enterprise partnership and is assisting in the delivery of the enterprise zone at Alconbury in Huntingdon, ensuring that the zone's benefits are more widely exploited. I must put on record my disappointment that the local enterprise partnership did not push for the Peterborough railway corridor, which would have had greater resonance as a catalyst for change, built on our regeneration, and had a bigger social and economic impact. However, that was the LEP's decision. While I am making minor complaints to my ministerial colleagues, I must say that Peterborough's exclusion from the national insurance contributions holiday will have had a slight impact on people minded to set up businesses in Peterborough, at the border between the east midlands and the east of England, rather than in the east midlands, Lincolnshire or Northamptonshire. However, those are my only gripes.

As we know, the east of England contributes significantly to the national economy, to the tune of £30 billion a year. As a powerhouse for growth in the area, Peterborough could have a positive impact on the UK economy, and its environmental credentials could make it an exemplar city for sustainable growth.

Peterborough was designated as an environment city in 1993 and became the home of the environment capital in 2010. The city's environment capital is a collection of assets including, among many other things, a unique cluster of environmental businesses, innovative approaches to understanding environmental performance, development of the UK's largest zero-carbon homes project, one of the highest amounts of green space per capita in the UK and a drive for sustainability at the core of all its activities. More than 380 organisations and businesses constitute the environment cluster, including Government and voluntary organisations such as Natural England, the Environment Agency, the Wildlife Trust and Froglife and international consultancies such as Halcrow, Royal Haskoning and the Rolton Group. It also includes major businesses such as Dresser-Rand, which is developing energy from wave technologies, Caterpillar Perkins, formerly Perkins Engines, which is reducing engine CO_2 emissions, and Anglian Water, which is delivering leading-edge innovation in water management.

Peterborough Environment City Trust is delivering nationally unique environmental programmes, attracting funds for major retrofit projects, developing community skills through its Greeniversity programme and the Green Apple resource kit and awards for local schools and involving more than 400 local businesses in environmental management improvements through its Investors in the Environment scheme. With 295 code 6 homes on the south bank of the River Nene, Peterborough will be the country's biggest carbon challenge city. The city is also developing innovative utility provision to support housing and economic growth through a council-led energy services company installing photovoltaic and other energy solutions for council property.

As one of three Department for Transport sustainable transport demonstration towns—an initiative branded as Travelchoice—the city has achieved a significant shift towards more sustainable travel modes, including a 35% increase in the number of bus passengers between 2004 and 2009, a 14% increase in walking and

a 12% increase in cycle journeys. The recent award of a £5 million Department for Transport grant to Travelchoice reflects the transformations already achieved and will enable the city to develop them further.

The 2008 Government-commended integrated growth study produced by Arup on behalf of the city council demonstrated how the city could meet its ambitious growth targets while achieving environmental, economic and social sustainability. Data sets from the study underpin the pioneering Peterborough model, a web-based visualisation of city-wide environmental performance developed through a public-private collaboration. The model has received interest from as far afield as New York, Cape Cod and Bordeaux, as well as closer to home from Her Majesty's Treasury, to support the green infrastructure plan.

Skills development is key to the city's future. The city council has recently partnered with Cranfield university to establish the Centre for Renewable Energy and Bio-Fuels and is supporting the commercial research and development of algae biofuel energy. That brings me to the bid for the green investment bank. The pioneering work of the coalition Government in establishing the green investment bank requires relevant expertise in the host city and a similarly innovative attitude. As the home of the environment capital, Peterborough has unrivalled expertise in environmental sustainability, with its 380 businesses and organisations, its innovation networks, which reach across the globe, and its innovative mapping of environmental performance through the Peterborough model.

Peterborough also has more than 27,000 people working in the financial sector, proportionally more than the east of England and the United Kingdom. Major companies with main offices in Peterborough include the insurance operators the BGL Group—famous for the meerkat adverts—Royal Sun Alliance and Diligenta, which is part of the giant Tata Consultancy Services conglomerate. Other financial operators include BNP Paribas, Handelsbanken, the Lloyds Group, Aldermore, Travelex and Clydesdale Bank. Many of these companies have announced significant growth and expansion, even during the recession.

Innovation is key to the financial as well as environmental performance of the city. Local companies such as PinPlus, for financial security, iGo4, for insurance, and indeed the city council, through its mortgage partnership with Lloyds TSB, are all leaders in creative approaches to finance. In these difficult times for first-time buyers, I commend in particular the collaboration between the city council and Lloyds TSB in providing much-needed finance for first-time buyers. I certainly commend it to other local authorities.

In Peterborough, the green investment bank would have access to unparalleled levels of financial and environmental expertise and innovation, as is already demonstrated by the Treasury's interest in using the Peterborough model to support the green infrastructure plan.

In conclusion, Peterborough is ambitious and growing, with a work force to match. The city is actively exploring pioneering public-private partnerships to remove the burden from the taxpayer without slowing progress in the city. Innovation in all areas of environmental, financial, economic and social capital is matched by understanding infrastructure needs and opportunities.

I will finish with a quote from Diligenta, which is a subsidiary of the huge Tata group, is a leading player in UK life and pensions business process outsourcing, and has a headquarters in the city. It says:

> "Peterborough…has great infrastructure that supports a vibrant economy and a financial sector presence. We strongly recommend it as an excellent location for any business looking to invest."

Peterborough is moving forward and grabbing the opportunities of the Government's growth agenda. I look forward to hearing the Minister's response.

1.43 pm

The Minister of State, Department for Communities and Local Government (Greg Clark): It is a pleasure to serve under your chairmanship for the first time, Mr Dobbin, and to be able to respond to the debate initiated by my hon. Friend the Member for Peterborough (Mr Jackson). He has referred to the Peterborough model, and I think that he is the Peterborough model of a Member of Parliament who is absolutely passionate about his constituency and who represents it with the vigour for which that city is itself famous.

As my hon. Friend has said, Peterborough is a growing city. Even during the recession, it has performed well with 3,000 new jobs announced last year. It has great strength in sectors such as the environment, manufacturing, finance and investment. It is a city with innovation at its heart, with its Eco-Innovation Centre and Water Innovation Network. Cranfield university is not far away and Peterborough is working with it to establish a commercial research and development base in algae biofuel technology.

As my hon. Friend has indicated, Peterborough's leading role in the Greater Cambridge and Greater Peterborough local enterprise partnership, which was announced in October, is a major positive force for the economy. There are great hopes for that local enterprise partnership, being, as it is, such a concentration of some of our most promising businesses and industries.

My hon. Friend has mentioned the new enterprise zone in Alconbury. It is outside his constituency, and I acknowledge his point about the Peterborough railway corridor. I say to him that that was the choice of the local enterprise partnership, and I know that his constituents will benefit from the general uplift that it will give to the whole area. Moreover, many of the powers in a local enterprise zone are in the gift of local authorities to bestow on other areas to create, as it were, enterprise areas. On simplified planning, for example, a new discretion will be available in the Localism Bill to give business rate discounts to particular types of businesses for start-ups. The proposed reforms to the local government finance system will allow authorities to retain the benefit of the uplift in business rates. I hope that, when he returns to Peterborough, my hon. Friend will encourage both the local enterprise partnership and the city council to think about how some of the benefits of the local enterprise zone in Alconbury might be conferred on the area in Peterborough that he has mentioned.

The unique model of the Peterborough skills vision of brokering direct links between local business and schools and colleges is another area that other cities are looking to replicate. Peterborough has so much more to

[Greg Clark]

offer besides, such as a spectacular cathedral and excellent rail links, which my hon. Friend has mentioned, as well as being the home of the Posh and of one of my great heroes, Peter Boizot.

The green economy is important to the whole country and I am aware that that applies nowhere more than in Peterborough—350 eco-businesses are located there and it has 29 conservation areas and an amazing commitment from its people to improve the city's environment, as they have done over time. Peterborough's long-standing association with the environment is clear. It was designated an environment city 15 years ago—one of only four at the time—and it recently celebrated its 20th green festival. In addition, I was pleased to hear about Peterborough's recent environmental business successes with a Queen's award for enterprise and the international interest generated by the Peterborough model, which my hon. Friend has mentioned and which brings the city's environmental performance data to life through an online visualisation.

Peterborough is right to be so committed to the green economy. The green economy in the UK was worth more than £116 billion in 2009-10. By 2015, the sector is expected to employ more than 1 million people. We are taking action now to put the whole economy on a low-carbon, resource-efficient path. UK expertise and innovative low-carbon businesses can lead the way in refocusing our economy to capture the global opportunities that were worth £3.2 trillion in the past year alone and are forecast to grow by about 4% a year over the next five years.

A greener, low-carbon economy is one of the key areas that we have focused on in our plan for growth. The Government recently published plans that map out the Government's action to enable the transition to a green economy, including areas such as climate change, resource efficiency, waste prevention and carbon capture and storage. These plans will form the basis for continuing dialogue between Government, business, universities and communities.

We understand that business needs to invest substantial resources, but it needs to be confident that this is at the heart of the Government's agenda. I hope that it can see that it clearly is. We are putting in place the policies that will establish the long-term framework in which investment decisions can be made with confidence. Providing that consistency creates an attractive environment for investment, which, by its very nature, will pay dividends over a long period.

We are committed to substantial reductions in carbon emissions. We have launched the world's first incentive scheme for renewable heat, which should increase investment in green heat technologies, and we are launching the green deal, under which householders, businesses and landlords will be able to improve the energy efficiency of their homes and buildings at no up-front cost. We are also introducing a carbon price floor, proposals on electricity market reform and a range of initiatives to encourage the roll-out of green vehicles.

High-quality economic infrastructure is important for any competitive, growing economy. The transition to a green economy will require unprecedented investment in green infrastructure in key areas. Hundreds of billions of pounds, mostly from the private sector, will be required in the energy sector alone. In the long term, the benefits to be gained from that action will be much greater than the costs of taking it. To ensure that a lack of sufficient finance is not a barrier to the scale and pace of the transition, we need to go beyond existing policies.

To that end, we have announced our intentions for the green investment bank, which is the first of its kind in the world and one of the Government's top priorities. The green investment bank will be dedicated to providing financial solutions to accelerate and increase private sector investment. A new institution rather than a series of Government interventions is required, and the green investment bank will build the necessary deep expertise in financial markets and green investments. It will be an institution that complements our existing green policies and addresses the areas of under-investment that persist in spite of the other measures I have mentioned.

Our green objectives are ambitious, and to achieve them we need tailored and targeted financial intervention to overcome under-investment in those key areas. The green investment bank will work towards a double bottom line of achieving a significant green impact and making financial returns. There has been a great deal of interest in the green investment bank and I know that my hon. Friend is keen to understand where we are with setting it up and to ensure that Peterborough is well represented in those considerations.

We are at the early stages of establishing the green investment bank, and there is much to be done. Our proposals need to be approved by the European Commission before we can establish the bank as a fully independent financial institution. However, we know that there is a need for early action, so my Department will start to make direct state-aid-compliant investments in green infrastructure projects from April 2012. The advisory group, which was recently appointed and which met for the first time last week, will provide us with advice on the establishment of the green investment bank, including what its strategic priorities should be. Those priorities will then be decided by the Secretary of State and will be regularly reviewed by Ministers and the institution's corporate board.

We will also need to decide on the bank's location. Although it will not be a large institution, we know that people already see it as a valuable organisation and an asset to wherever it will be located. We are currently defining a process to decide the location that will build on the criteria we published in our May update on the green investment bank. We will, of course, make an announcement in due course about the process and ensure that all those who have already expressed an interest are kept informed.

We believe that a green economy is a growing economy and welcome Peterborough's commitment to green growth. Through our green policies, our work with businesses and the green investment bank, we believe that we are firmly on our way to achieving that vision of a green economy. We will continue our work to establish the green investment bank, including the design of a process to decide the location, and we hope to make an announcement on progress as soon as it is sensible to do so.

I pay tribute to my hon. Friend for the consistent interest that he has taken in the green powerhouse that is the city of Peterborough's potential in this area. No one in his city should doubt the fact that they could not

wish for an advocate who has a stronger or more respected voice in this House. It has been a privilege to respond to his debate and to serve under your chairmanship, Mr Dobbin.

Question put and agreed to.

1.52 pm

Sitting adjourned.

Westminster Hall

Wednesday 14 September 2011

[Mr Jim Hood *in the Chair*]

Late Payments (SMEs)

Motion made, and Question proposed, That the sitting be now adjourned.—*(Bill Wiggin.)*

9.30 am

Debbie Abrahams (Oldham East and Saddleworth) (Lab): It is a pleasure to serve under your chairmanship again, Mr Hood. I am grateful to have secured this debate to discuss the effect of late payments on small and medium-sized enterprises.

In the background to how I became involved in the issue and, in particular, launched the "Be Fair, Pay On Time" campaign is a constituent who came to one of my surgeries shortly after I was elected. He was a haulier and had been in business for a number of years. He said that his business was threatened by late payments, in particular from large companies. Although his contractual terms involved payment in 30 days, those companies often took 90 days to pay him.

I decided to see how wide the problem was in my constituency, and I was contacted by a range of SMEs. There was, obviously, an issue, but unfortunately most of them were unprepared to come forward to state their experience, because of fear of reprisals, in particular of being blacklisted for future work. So today it is with mixed feelings that I will discuss my constituents, Ann and Harry Long, and their experience. Ann is in the audience today, with her daughter Janine. They have travelled down from Oldham East and Saddleworth, so I am grateful to them for being present. They are interested to hear about the issue from all MPs and, in particular, about what the Government will do.

In July this year, the plumbing and heating company that Ann and her husband Harry had built up from scratch 35 years ago went bust due to the effect of late payments by larger contractors. Ann told me how larger companies have the buying power to stretch out the time that it takes them to pay their bills to smaller companies such as hers and Harry's. She said that for most of their 35 years in the business many good local companies such as theirs held strong, honest values about paying suppliers on time. Ann believes that that was because their client base was companies such as theirs—local SMEs who care. When the recession hit, though, the only companies that seemed to have work were the larger ones, so Ann and Harry had to win work with them, even going so far as to compete on eBay for tenders. Last year, however, as a result of bad debts of more than £150,000 from companies not paying promptly or at all—the worst that they had known for 35 years—Harry and Ann's company went into voluntary administration. With no cash flow, it was impossible for them to continue.

Ann and Harry's story is not unique. I know about several other businesses which, went into voluntary administration in the summer, primarily as a result of late payments. Nationally, we know from the Bankers Automated Clearing System, which runs electronic processing for financial transactions, that £24 billion is owed to SMEs and that more than a third of SMEs say that large companies are not paying their bills on time. To put that into context, high street banks lend SMEs approximately £47 billion, so the late sum is not insignificant and is affecting the cash flow of those companies.

According to data from a recent survey by the Federation of Small Businesses, over the past 12 months 73% of businesses have been paid late, the average SME being owed £27,000 at any one time, with 56% of FSB members having written off invoices of up to £10,000 because of non-payment and 6% in the construction sector having written off more than £35,000. That position is getting worse. The Economy Watch panel of the Forum of Private Business said last November that late payment had shown a "continued decline". Small businesses have reported that, typically, payment is now taking 50 to 60 days, not 30, with more than a third of a company's turnover being tied up in late payment.

The FSB's survey indicates that manufacturing is the worst industry sector for making late payments, followed by the construction industry. Although the private sector is the worst culprit for late payments, according to 77% of FSB members a significant section of the public sector still fails to pay promptly as well, including local authorities and Departments. New businesses, being particularly fragile as they start up, are also more likely to be affected.

Mr Philip Hollobone (Kettering) (Con): I congratulate the hon. Lady on her excellent speech and on all the energy and industry that she has shown in the House since being returned at the by-election.

A small company in my constituency of Kettering is owed £34,000 by Her Majesty's Revenue and Customs under the construction industry scheme, and yet at the same time it is being pursued by HMRC for a £10,000 corporation tax bill. May I use the hon. Lady's debate to pass on a message to the Government that they need to get the Inland Revenue in order, to be on the side of small businesses and not against them?

Debbie Abrahams: I agree that the action needs to be comprehensive, and I will mention that at the end of my speech.

The impact of late payment can be disastrous, as we have heard. During the recent recession, an estimated 4,000 businesses failed as a direct result of late payments. Small businesses do not have the cash-flow buffers of larger companies so, in turn, they often pay their suppliers later than they would like, and a downward spiral develops.

The BIS Barometer survey for 2010, from the Department for Business, Innovation and Skills, showed that 60% of businesses have noticeable cash-flow issues and that for 25% of them that is a big problem. The knock-on effects of late payments include the inability of SMEs to access capital from banks and other financial institutions. In the FSB survey, 18% of businesses cited poor cash flow as the reason for a loan application being unsuccessful.

Gordon Birtwistle (Burnley) (LD): I congratulate the hon. Lady on securing the debate. Does she agree that the banks, rather than helping small businesses whose

[Gordon Birtwistle]

cash flow is suffering from late payment, shove the companies down the invoice-factoring route? Invoice factoring is an extra cost for small companies, so the banks make more money out of them without as much risk, and yet they still fail to collect the old money afterwards.

Debbie Abrahams: Yes, a whole range of factors affect small businesses and their viability. No doubt one of those is the transactional costs being passed on to small businesses. SMEs are being affected not only in their cash flow but in their ability to get additional financing from banks.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Lady on obtaining the debate, which all Members surely agree is timely because of the economic difficulties of the country. The hon. Member for Kettering (Mr Hollobone) has mentioned HMRC, and the Northern Ireland Assembly agreed that for any work carried out by companies for the Government, whether it involves schools or whatever, an arrangement would be made for quick payment. Perhaps the Government in this House will look at that idea to help small businesses, because cash flow is their lifeline. It is difficult at the moment for small companies to get credit insurance, so that is an extra cost as well, so some form of quick payment or charging interest if a company defaults on the payment terms might alleviate the problem.

Debbie Abrahams: Yes, that is certainly one of the actions that I hope for from the Government.

Mr Andrew Smith (Oxford East) (Lab): I join the congratulations on how my hon. Friend is putting forward this important case. Does she not agree that the previous Labour Government brought in the target of five-day payment, as well as the ability to charge interest, which was mentioned by the hon. Member for Upper Bann (David Simpson) in his intervention? The problem is that in the public sector not enough Departments, agencies and local councils are complying with that target, so stronger measures are needed.

Debbie Abrahams: I thank my right hon. Friend for making that vital point. Yes, the previous Labour Government did a lot about that, but monitoring and reporting of the five-day target is needed. That is one of my action requests for the Government.

Lorely Burt (Solihull) (LD): I do not wish to prolong the point, or your patience, Mr Hood, but under the Late Payment of Commercial Debts (Interest) Act 1998, which was introduced by the previous Government, small companies may charge interest if the time for payment of a debt is exceeded. The problem is that as soon as a company rattles the chain of a larger company, it risks losing business. There is always a fine balance between the power of big companies and the lesser power of smaller companies.

Debbie Abrahams: I totally agree with the hon. Lady. That is one reason why companies are not prepared to come forward. A concerted effort is needed with a range of interventions to address the power imbalance that she has rightly identified.

On the impact on businesses that were refused additional finance, 13% said that they had had to lay off staff, and a worrying 40% said that they were having ongoing financial difficulties. There is growing evidence that late payments to SMEs are hurting our economic recovery. Data from the Office for National Statistics show that SMEs comprise up to 98% of the total number of organisations in the UK economy, providing 59% of all private sector jobs, 45% of all employment, and generating 46% of the UK's income from the private sector—a massive £1,558 billion. If their growth and survival is being threatened, it is inconceivable that that is not impacting on the country's economic performance as a whole.

One of the favourite myths that the Government like to spin is that the recession was made in Britain and that the public sector is somehow to blame for our flatlining economy and should be made to pay with cuts in public spending and vital public services. No one is fooled by that, because everyone knows that the recession started on Wall street, that it was the result of private sector debt, led by the banks, and that it affects every major economy in the world. It belittles my constituents to try to portray it is as anything else.

A little reported fact is that in 2009 City of London debt was 245% of gross domestic product, compared with public sector debt of 60%. It is time that this Government stopped blaming the previous Government and the public sector for the country's economic woes and targeted action where it is needed on those who abuse their wealth and power. I want the Government to take action on those who flout their contractual responsibilities and fail to pay their bills on time, because those people are not above the law or untouchable. As the Federation of Small Businesses has said, this is not just an economic issue, because it is ethically wrong.

With the shadow Minister, I am calling on the Government to back the following action to address late payments. First, they should bring forward the new EU directive on late payment from March 2013. It introduces a minimum fixed amount of compensation for late payment and tightens the time period for payment. Secondly, the Government must ensure that all Departments are better at meeting the five-day payment target and have effective monitoring and reporting procedures in place. Thirdly, the Government must ensure that prompt payment is enforced all the way down the supply chain and not just between contractor and subcontractor.

Mr Gregory Campbell (East Londonderry) (DUP): I join the congratulations to the hon. Lady on securing this timely debate. Does she agree that in regions of the United Kingdom where there is higher than average dependency on the public sector for economic activity, the issues that she is discussing are even more prevalent, and require even more assistance? In Northern Ireland, for example, almost 60% of economic activity is directly related to the public sector.

Debbie Abrahams: I thank the hon. Gentleman for his intervention. I agree that that is an issue in some areas of the economy.

We are calling on large businesses to sign up to the prompt payment code, and I can announce today that Oldham metropolitan borough council, which had not previously signed up, has agreed to do so.

Mr Jim Hood (in the Chair) Order. I have six Back Benchers on my list, in addition to the Front-Bench speakers. I am sure we will find time to fit everyone in, but if we are squeezed for time towards the end of the debate, I intend to call the Front-Bench speakers at 10.40 am.

9.45 am

Lorely Burt (Solihull) (LD): I congratulate the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this important debate. I am sorry that at the end she accused the Government of engaging in public sector bashing. This debate is much more important than scoring political points.

The "squeezed middle" is a phrase that we do not often use in relation to companies, but it is exactly what is happening to small businesses in this country. They are being squeezed on one side by their suppliers, and the late payments that the hon. Lady so eloquently described, and by the banks on the other side. They cannot obtain credit, and their tragic situation is worsening, as the hon. Lady said, and as the constituents who are here today illustrate.

Small businesses are much more fragile than larger ones, so having to endure late payment costs jobs and inhibits growth. Big companies with more than 500 employees pay, on average, 35 days late, but small companies with fewer than 100 employees pay, on average, 19 days late. Big companies have a great deal more relative credit than small companies, and big companies get fatter while small companies struggle and get leaner. However, as I said during my intervention, coming down hard on big businesses may be counter-productive, and may deter them from trading with smaller businesses.

The hon. Lady referred to the prompt payment code, which was launched last year by the Institute of Credit Management on behalf of the Department for Business, Innovation and Skills. Companies promised to keep to payment terms agreed at the outset of a contract. However, I understand that fewer than 1,000 companies have signed up. What can the Government do to encourage many more companies to sign up to the prompt payment code?

Jim Shannon (Strangford) (DUP): A system that might benefit both suppliers and receivers is the BACS system—bankers' automated clearing services. It ensures that money goes from A to B quickly and painlessly. Does the hon. Lady believe that there might be some way of incentivising that scheme so that everyone benefits?

Lorely Burt: I am grateful for that intervention. It is an excellent idea, and perhaps the Minister will address it when he responds.

The Companies Act 1985 requires public companies to submit their payment terms, but that has not been properly enforced. The Federation of Small Businesses has suggested that more resources be put into the policing of that requirement. Many companies write warm and woolly words about how socially responsible they are, but if that is not backed up with action and a declaration of their terms so that they can be measured against those terms, their warm words about how corporately responsible they are cannot be measured.

The House is scrutinising the late payment directive. The Government are challenging the EU to reduce the threshold at which payment is made from 30 days to 10 days, and, if that can be achieved, it will be admirable. It is, however, something that we can impose on ourselves in this country today.

The FSB suggests that we should introduce a social clause for sub-contractors. First-tier suppliers are often paid promptly but keep the little guys further down the supply chain waiting. If first-tier suppliers are being paid quickly it should be extended to everyone down the supply chain, and the further down the supply chain a business is the more important prompt payment is to it. I should be interested to hear the Minister's views on that.

On public sector procurement, there is an aspiration to simplify applications for approved supplier status and make them manageable for small businesses. What progress have the Government made with that? If small businesses can contract directly with Government bodies, their cash flows will be much improved.

I should like to ask about the enterprise finance guarantee, the aim of which is to make £2 billion available to viable small businesses without credit history or collateral. The Minister might not have the figures to hand, but I should be interested to hear how that is going.

The Government have an aspiration to award 25% of their procurement to small businesses. We are making great progress towards achieving that self-imposed target, but will the Minister update Members on it, either this morning or later?

9.52 am

Fiona O'Donnell (East Lothian) (Lab): It is a pleasure to serve once again under your chairmanship, Mr Hood, our having served on the Health and Social Care (Re-Committed) Bill. I know that we can look forward to a firm but fair hand in proceedings today.

I join Members in congratulating my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this debate. The issue is of concern not only for my constituents but for us all, so I am pleased to see Members from all nations of the United Kingdom present to participate in this discussion.

I thank the shadow Minister, my hon. Friend the Member for Streatham (Mr Umunna), for the work he has already undertaken in his new post in reaching out to businesses across the UK. I apologise for the fact that so far I have not provided him with information from my constituency, but work is ongoing. I am working with my political partner, the MSP, Iain Gray, to assess the challenges facing businesses in East Lothian. Although that is good for joint working, it is not so good for meeting deadlines.

This issue is vital, especially in my constituency, because the hope for economic recovery, for growth, for more money to go into the economy and, importantly, for more jobs lies with the public sector and SMEs. The issue is relevant to my local employers when they are considering taking on new staff.

The one bill that employers must meet every week or every month is that for wages. We have seen evidence of slippage in Whitehall Departments achieving the five-day

[Fiona O'Donnell]

target. The impact of a Department being a couple of days shy in meeting the target might be viewed as small, but, bearing in mind the fact that private companies may not have signed up to the target, many companies were assured by the good practice set under the previous Labour Government because they knew that money would be in their accounts. That security meant that they could meet their wages bill.

Labour's opponents criticised its manifesto and plans to increase national insurance tax, saying that it would inhibit growth in jobs, but confidence in the economy and in their cash flow is far more important for SMEs considering taking on new staff. If youth unemployment in my constituency is to be targeted, with an increase in the number of apprenticeships for young people and those retraining and reskilling, it is vital that the Government support the health and stability of SMEs.

My hon. Friend the Member for Oldham East and Saddleworth spoke of the danger of a contagion, and in this respect I can draw on my experience of working in the private sector. As a company's cash flow starts to become restricted, it must start to decide which bills to pay, and when. The health of the small business sector is under threat because many companies are now having to make such decisions.

SMEs face a resource issue. We did not have the capacity vigorously to chase late payments or to send threatening legal letters, which meant that larger companies and the public sector, aware of our dependence on them, could feel secure in not making payments on time.

David Simpson: Although not all the public sector signed up to the five-day target, I acknowledge that it is a good thing, but does the hon. Lady agree that the problem is that if a private sector company is not being paid it will go to the man behind and say, "I'm not being paid quickly enough to pay you"—a chain reaction? How do we ensure that the chain works as we would want?

Fiona O'Donnell: I thank the hon. Gentleman for his intervention. It is the job of the Government to set the tone and encourage businesses to change that culture by making it clear that late payment is not acceptable.

The issue must be set in the context of the many challenges facing SMEs in my constituency, across Scotland and across the UK, such as rising energy and fuel costs—having to fill vehicles at the pumps, which particularly affects large rural areas—VAT increases and a shrinking public sector. I appeal to the Minister to recognise that, yes, we need to rebalance the economy—especially in Scotland, where we are far too dependent on the public sector—but also that many small businesses are dependent on the public sector for their health and economic activity and if we shrink the public sector too quickly they will not have a chance to adapt to the challenges the Government are setting them.

We welcome the Vickers report and the prospect of more effective bank regulation, but I appeal to the Minister to ensure that it is not SMEs that pay the cost of that regulation in increased credit charges and more restrictive access to credit.

The Government can act on this issue and make a real difference. Labour started that work in government, but the danger is that we are slipping into reverse. I therefore hope that the Minister gives a positive response to the proposals set out by my hon. Friend the Member for Oldham East and Saddleworth. There is an opportunity for Government to change the culture and to give a lead. I look forward to the Minister's response.

9.59 am

Anne Marie Morris (Newton Abbot) (Con): This is an excellent debate and very timely. The focus to date has been on the challenge in the public sector, but as the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) explained at the outset, the biggest offenders are in the private sector. They are the large British corporates. My comments will therefore focus on what we might be able to do there.

RSM Tenon examined the figures and found that in the first quarter of 2011, 80% of SMEs were paid late. A lot of evidence has been given about the length of those periods. The points made have referred to 30 days, 60 days and 90 days. What we have not put on the table and should is that some SMEs are waiting six months. That is not in any way acceptable.

To deal with the problem, we need to understand why it exists. This has already been implied, but I think that it is worth putting on the table the fact that one of the main problems is the imbalance of power. The large companies have significant trading power over the smallest, and as the recession has bitten, so all the very small companies are fighting for every contract that comes through the door and do not necessarily think as strategically as they might about whether a contract is a good one or a bad one.

Small businesses could do a couple of things to help themselves. I was interested to learn that a large number of small businesses enter into no form of written contract. The consequence is that they are then dependent on the Late Payment of Commercial Debts (Interest) Act 1998. That is excellent legislation, but as has already been expressed, it depends on the willingness to enforce it, because clearly there is a cost to litigation.

I was also surprised by how few small businesses do any form of credit check. According to the Institute of Credit Management, 25% of businesses make no checks at all. If people make those checks, they can be a little more streetwise in terms of how they negotiate the contract and they might think about some form of part-payment in advance.

Mr Andrew Smith: On contracts, does the hon. Lady think that there would be merit in exploring the idea of a default contract that automatically applied if one had not explicitly been negotiated and in legislating to that effect?

Anne Marie Morris: I think that it is very difficult to imply a contract, because contracts are inevitably quite complex and varied and depend very much on the nature of the business. However, the 1998 Act gives protection. I suspect that in terms of legislative moves, that is probably as far as it is sensible to go.

May I now consider the current solutions? Credit insurance was mentioned. Clearly, that is expensive for the smallest businesses. I spoke yesterday to one of the

agencies, which told me that the average cost is 45p for each £100 of turnover. That makes it almost a luxury for the smallest businesses. The other challenge is that those schemes have to some extent been discredited, as they have been withdrawn, sometimes in a rather prompt manner, leaving some of the smallest businesses with particular problems.

However, the schemes do have a place. I am pleased to say that in my own constituency, Westaway Sausages has taken out credit insurance, which has made a huge difference to that business. It suffered a bad debt of £22,000 and now annually pays £10,000 to ensure that the business is protected. It has also considered the trade terms that it enters into and is very diligent in what it does.

With regard to current solutions, we have talked briefly about the prompt payment code. I certainly agree with the comments that we need more corporates to sign up to that. The challenge, of course, is whether they comply when they sign up and, if they do not comply, whether the small businesses that suffer act as whistleblowers. As has been well evidenced in the Chamber, the challenge, given the imbalance of power, is the extent to which those small businesses are willing to do that. Therefore, I am not sure that the answer is necessarily a greater number of people signing up to the code, although I would like that to be encouraged, because I think that it is morally the right thing to do.

The Companies Act 1985, which has been referred to, requires public companies at least to submit payment term details to Companies House and to list on the register their average payback time to SMEs. The problem is that getting all that information into Companies House is a mammoth task, requiring substantially more resource than is currently available. It might be desirable, but I have a suspicion that it might be unaffordable. In a minute, I will make a suggestion that might be equally effective but not as expensive.

Questions have been asked about whether the best way forward is through compulsion or through an additional voluntary code of practice or steps to impress on companies the fact that there is a better way to behave. Compulsion has been tried in California with the public sector, but the experience in Australia and the European Union is that it has not really worked. I suspect that that is partly because of the cost of litigation.

So what about voluntary solutions? What could we do in that respect? Clearly, we could consider a league of shame, which I think was one of the things suggested by the FSB, but at the end of the day, we have to come up with something that will put pressure on and change the attitude of the customers of the offending companies, rather than the suppliers. That is really the challenge.

I have three suggestions. First, I think that local enterprise partnerships have a role. We have asked them, on a region-by-region basis, to consider how they can support private sector growth. I believe that they have a role in providing advice and training for SMEs and that they could well collect information about bad payers. That information could then be shared among SMEs.

Mr Chuka Umunna (Streatham) (Lab): I am grateful to the hon. Lady for giving way during a very useful contribution. How does she envisage LEPs doing what she has described, given the sheer lack of resource that they have to fulfil all the other responsibilities with which they have been charged?

Anne Marie Morris: I am delighted to report that I have found LEPs to be excellent at doing an awful lot with very little. Let me give an example. In my own constituency, we have a mentoring system, Teignbridge business buddies, which is supported and endorsed by the LEP. No one is paid anything, but we support new businesses, including people who were formerly unemployed, and it is a very good system. A lot can always be done if the will is there.

David Simpson: I am not being critical when I say this, but does the hon. Lady really believe that a voluntary system will work? We are talking about money, about people and about the natural instinct of companies to hold on to their money for as long as they possibly can. In addition, does she agree that among the biggest offenders in creating cash-flow problems are the major supermarket chains in the United Kingdom? All hon. Members help to get planning approval for them, but it is between four and six months before they make their payments.

Anne Marie Morris: To an extent the hon. Gentleman has anticipated my further comments.

David Simpson: Great minds think alike.

Anne Marie Morris: Indeed. Things can be done that are not simply voluntary, and I will expand on those. As for the supermarkets, I think that the plan is to have a supermarket ombudsman at some point to consider just this issue.

I hope that my second suggestion will give the hon. Gentleman some comfort. The Government could consider introducing Government-backed credit insurance for micro-businesses. Clearly, that would be unaffordable for the whole of the sector, but it could be done for the smallest businesses—those with fewer than five employees and a turnover of less than £250,000. That could be edged up to just under 10 employees and turnover of £500,000, but either way we are talking about a relatively small part of the economy. I am pleased that the Government have already introduced export credit insurance for the first time in 20 years. I say "Well done" to them for that, but we could do more.

I come now to my third suggestion. There is something that we could do to make large companies change their behaviour—change the accounting standards. I believe that in the annual report and accounts, there should be a report on the debtor days with regard to SMEs that are suppliers to a company. Clearly, it would be inappropriate for a report of debtor days to be too extensive, although any good company will keep such records. However, it would be helpful if it applied to any supplier providing more than, say, £100,000 of goods and if the number of debtor days was limited to 30, because that would ensure that it was included in the auditor's report.

In the 1997 debates on this issue, it was suggested that the policy adopted by companies should go into the director's report, and the proposal was subsequently implemented. However, it was decided not to include any information about debtor days in the auditor's report. If such information were included, it would be in the accounts filed at Companies House, and the Federation of Small Businesses, the Forum of Private

[Anne Marie Morris]

Business and other groups could easily look through the reports and accounts for the top 250 companies. They could then begin looking at how to campaign and raise the issue of the bad boys in the press. That might be a cheaper and more viable approach than simply dealing with Companies House filing requirements, laudable though that is.

Finally, small trade groups must begin to take ownership of, and responsibility for, the problem. We can sit here and say there is too much of a power imbalance, and it is easy for a small SME to say, "We can't rock the boat, because X, Y and Z Ltd down the road will simply get the contract instead," but power comes from acting together. Clearly, companies will not do that in every case, but it will be worth standing up together against some individuals and large corporates.

10.11 am

Owen Smith (Pontypridd) (Lab): It is a great pleasure to serve under your chairmanship, Mr Hood. I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing the debate, which has been extremely interesting so far. We have heard a huge number of positive and constructive ideas from both sides of the Chamber, which is a measure of the interest in SMEs and the recognition that they are, as we heard in the statistics which my hon. Friend has mentioned—I will not repeat them—the backbone of our economy.

I have experience of running an SME. I worked in a television production company, although not for a huge amount of time. I have also worked in quite a few large companies, so I have seen the interaction from both sides of the fence. The obvious lesson that came from that experience was, first, that turnover and cash flow are critical for small companies, especially in the early days. Late payment is therefore central to their viability in not only the long term, but the short term, especially in the early days. Secondly, as several hon. Members have said, large companies have enormous power to make or break small companies through the contracts that they dictate and put in place and through the payment structure that they observe.

In a recession and a downturn in the economy, all those problems are compounded. Small companies' cash-flow problems become exponentially greater. Larger companies—here we come to where the late-payment culture intersects with a wider culture of irresponsibility in our corporate sector—are instantly tempted to renegotiate contracts, and they are often encouraged to do so by their procurement, supply and legal teams. They are tempted to pass on their problems to the supply chain and to screw down on smaller suppliers by squeezing the maximum amount out of them to insulate themselves. I have seen that; it is a common occurrence, and late payments are part of it. It is no surprise, therefore, that late payments have increased in the recession; indeed, that is inevitable because they are standard practice among large firms. Although they do not happen only in this country, they are a particular problem and cultural issue here.

One interesting aspect of the debate is the number of hon. Members from different parties who have said that the Government have a large role to play, rather than that the best thing for our economy would be for the Government to get out of the way. In this instance, there is clearly a real interest in the Government intervening and playing a leading role.

Fiona O'Donnell: May I say that television production's loss is our gain? There was a large gathering of Eurosceptics last night—*[Interruption.]* I am disappointed. However, does my hon. Friend agree that introducing the EU directive on late payments would be one way for the Government to ease this problem?

Owen Smith: Yes. Indeed, they should think of introducing it earlier than anticipated. Europe clearly recognises that late payment is an issue. The Government should recognise that it is an issue, as the Opposition do, and they should introduce the directive. I hope the Minister will tell us he is interested in doing that.

The Opposition have long recognised that late payment is an issue. As we have heard, several pieces of legislation were introduced in the late 1990s. Initially, there was legislation allowing small companies to charge interest and seek compensation. Subsequently, the Labour Government sought to set an example by setting targets. They also talked about the need for a greater culture of responsibility on the part of all businesses. They set an example through the targets that they set Departments, although they should have gone further and pushed that right out across the public sector. The current Government would do well to look to that example. They believe in a big society, and they could use a bigger society to bring about that public good.

Late payments also relate to a wider issue: the culture of dog-eat-dog, devil-take -the-hindmost, beggar-thy-neighbour irresponsibility—call it what you want—that is an absolutely common feature of corporate life in this country. Suppliers are vital for all large firms, but they are inevitably and invariably low on the list of priorities for large firms. Some people, including Government Members, might say that that is inevitable in a system predicated on the primacy of shareholder value, but that system should not preclude other objectives, such as social responsibility. The most immediate form of social responsibility that larger firms can show is responsibility towards the welfare and viability of smaller firms. That is a matter not only of late payments, but of the way in which larger firms move their investments.

In my constituency, there is a filters factory called Sogefi. It is now Italian-owned, having been purchased from a British company a number of years ago. It is downscaling because its order book is declining. Two hundred jobs will probably be lost at that firm, which is in the Rhondda—a part of the country where there are all too few well paid and secure jobs. The knock-on effect of that company cutting jobs and potentially eventually moving on is enormous, because 12 or 13 suppliers throughout the area rely on it. One thing that we have failed to impress on the company is that it has a responsibility to those suppliers, because it clearly does not feel that it has. The culture of feeling that a company's primary job is to look after its own shareholders and that it is for other companies to worry about themselves is precisely what motivates and underpins the culture of late payment in our country.

What do we need to do? Clearly, the Government need to set a better example. The hon. Member for Kettering (Mr Hollobone) has mentioned HMRC, and

other hon. Members will have had builders in their area tell them that the chaos at HMRC—especially over the construction industry scheme—has resulted in enormous backlogs in the reimbursement of taxes already paid by small construction firms. That is but one example where the Government need to intervene to provide the resources to ensure that small firms—in this case, construction firms—do not go under.

This is also a question of the Government pulling their socks up when it comes to hitting the five-day payment target, because they are falling back right now. My understanding is that in the last quarter of the Labour Government we were hitting about 90% of the target figure for five and 10-day payment, but we are now somewhere south of 80%. That looks like falling back to me, but if my statistics are wrong the Minister can correct me—I would be delighted to learn that the figures are better than I thought.

We should be looking at introducing the European directive early and expanding that payment culture to the whole public sector. However, other aspects of intervention and legislation should not be off the table. It is not fashionable to talk about regulation, but clearly regulation is required in the present context; there seems to be a huge amount of consensus about that. I thought that the idea that we heard a moment ago about changes to accounting standards, and naming and shaming, was excellent. It would not necessarily require changes to legislation. Filing requirements at Companies House should also be looked at. Although the hon. Member for Newton Abbot (Anne Marie Morris) has rejected the notion of standard default contracts, the Government should look at the idea of minimum standards in contracts to try to marshal larger firms' behaviour, so that they do not instantly fall back on screwing people lower down the food chain, which inevitably happens.

The Government have an enormous role to play. It is a myth, as the debate has shown, that the most effective way to get growth and efficiency in the economy is for Government to get out of the way. That myth has been wholly exposed by the recent crisis in capitalism. Late payments are a small but telling example of how the Government have a vital role to play. I hope that the Minister and his party recognise that.

10.21 am

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I shall be brief, given the time.

I want to deal with the so far unexplored issue of late payments due to legal disputes and to touch on one example from west Wales, which highlights that point. RWE npower is constructing a £1.6 billion power station, using Alstom as its main contractor, which in turn is using SOMi Impiante, a company based in Italy. That company is using a range of local subcontractors. Because of a legal dispute—I will not go into the rights and wrongs of it; the legal process will unfold—a wide range of subcontractors to SOMi Impiante, which has now gone back to Italy, have found that the money due to them for work done in good faith in accordance with their contract has not been paid. It is uncertain when it will be paid. They face the prospect of a considerable wait for the legal process to unfold.

Those companies are important to our local economy. They tendered competitively for the work, and their margins are extremely tight at the best of times. They have a sensitive and vulnerable cash flow, and their local reputation is important to them. Yet they are the victims of delays that are way outside their control and beyond the terms of the contracts that they signed. The delays are also outside the terms of the prompt payment code, but those companies do not have the money to engage in expensive and long-running legal battles against major companies based in foreign countries. Even if they had a reasonable chance of success, the sensitive cash flow that I have mentioned is hardly on their side. Of course, typically at such moments, the banks are facing in the opposite direction just when they are needed.

If the Minister were in my shoes, advising companies in my area that are victims of late payment as a result of others' legal disputes, what advice would he give me?

10.24 am

Andrew Griffiths (Burton) (Con): It is a pleasure to serve under your chairmanship, Mr Hood. I congratulate the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this important debate. I have tried unsuccessfully on several occasions to secure a similar debate, so I must talk to you afterwards to find out how you were so successful, while I failed miserably.

Mr Jim Hood (in the Chair): Order. The hon. Lady may have applied for such a debate, but I did not.

Andrew Griffiths: Thank you, Mr Hood.

The hon. Lady had all of us in the Chamber nodding in agreement and support. We all—from all the parties, and all the nations represented here—want to do more to support small and medium-sized businesses, but such businesses in my constituency, and, I am sure, in the hon. Lady's, do not want us to engage in party politics. They want us to work together and not to make party points.

I know that time is short and others want to speak, but I want to focus on an issue that has been raised with me in my constituency several times. We all go and talk to people who run small businesses, who tell us that things are tough, but that they are surviving. They tell us about difficulties with finance and the banks, and they have faced difficulties with late payments for many years. My family had a small engineering business and had to endure the "cheque in the post" argument when we chased payment of invoices after waiting a long time. However, a new phenomenon has begun to hit businesses in my constituency, and elsewhere. Large companies are arbitrarily extending their supplier payment terms. In recent months some larger businesses have decided to extend their normal payment terms of 30 days to 60, 90 or, in some cases, 120 days. Small businesses, which are desperate for the contract and do not want to lose the potential for future business, must live with having to finance an extra two or three months while they wait for payment.

I pay tribute to the Federation of Small Businesses, which has done a great deal of work on the issue.

Fiona O'Donnell: Does the hon. Gentleman agree that in that competitive and hungry market many SMEs take the risk of doing business with companies that they know may not have the best record of invoice payment, because that is the reality in these tough economic times?

Andrew Griffiths: The hon. Lady makes a good point. It is a case of better jam tomorrow than no jam at all. Many businesses must make difficult decisions, and take risks to keep their work force ticking over and to sweat their assets.

I want to draw the Minister's attention to a survey by Touch Financial. It surveyed 200 businesses and found that in the past year half of those had had their credit terms extended. The Forum of Private Businesses has a hall of shame of companies that have extended credit terms in that way. It includes well known businesses such as Dell, Argos, the Co-op and United Biscuits. Molson Coors in my constituency recently extended payment terms to suppliers there. That has a devastating effect, particularly when many of the businesses affected are being rung up by their banks, and told that their credit facility is being reduced—sometimes by up to half. It has a massive impact on cash flow, which as we know is the life blood of any small business. If we cut off that cash flow, those businesses will bleed to death.

10.28 am

Justin Tomlinson (North Swindon) (Con): I realised that there might be a bit of a gap, Mr Hood, so I thought I would try to build on some of the excellent speeches that have been made. My remarks will be brief. Before I became a Member of Parliament, I ran, for 11 years, a small business that would have fitted excellently within the category that my hon. Friend the Member for Newton Abbot (Anne Marie Morris) has championed through her work on micro-businesses.

In the spirit of praising the public sector, we should recognise that if a small business can secure a contract with the public sector it has a far better chance of being paid quickly. As several hon. Members have said, cash flow is king, and that makes a difference. However, it is extremely difficult for a small business to secure those public sector contracts, which are nearly always snapped up by the big boys who then subcontract the work on to small businesses. I welcome moves from the Government towards opening up the books and the contracts to smaller businesses, but I should be interested to hear more about how that will work in the real world.

Many businesses that struggle are either start-up businesses or are simply caught unawares. Those who start up businesses believe that, with a bit of hard work and some graft and enthusiasm, things will be great. They do not anticipate other businesses paying late or choosing deliberately not to pay. I therefore have a couple of requests. I understand that the Government want to create 40,000 business mentors for start-up businesses. I urge that the No. 1 priority for those mentors should be to teach start-up businesses about the necessity of invoicing quickly and using contracts and other available methods, because all too often new businesses are caught unawares.

Banks, too, have a role to play when start-up businesses ask for a new business bank account. The banks could provide training—or at least information on how to invoice and chase up late payments. I have often championed financial education in Parliament. I predominantly want to equip the next generation of consumers, but I also want to encourage entrepreneurial skills, and part of that is about basic accounting and ensuring that businesses understand how to invoice.

A tip from my own experience is that one should talk regularly to customers and suppliers, because there are times when even good businesses will struggle because of the knock-on effect of some of their customers not paying. If others are aware that there are likely to be problems, everyone can plan accordingly. There is nothing worse than waiting on a cheque from a supplier or customer when you have to pay the wage bill, but one can at least talk to the bank about it.

The majority of suppliers that I knew which had folded, folded because their customers continued to spend money even though they knew that they were highly unlikely to be able to pay, and in the end it dragged them down. I would be interested to know the Government's thoughts on that.

Fiona O'Donnell: I thank the hon. Gentleman for giving way. Will he indulge me by going back to what he said about the pay roll? The Government say that their Work programme is about not only creating jobs, but making those jobs sustainable. Does he agree that those SMEs that we hope will create jobs for the unemployed in our constituencies are far less likely to create sustainable employment if they have cash-flow problems?

Justin Tomlinson: Absolutely. Cash flow is the most crucial element for small businesses. In my case, I did not even have an overdraft. There were times when things were comfortable and times when we were anxiously waiting on customers to pay us. If they did not pay, that had a knock-on effect for suppliers. Access to cash is crucial, and banks need to be sympathetic and not simply say that the computer says no. The banks should take account of the fact that a business with a successful track record has a couple of customers who are taking longer than normal to pay.

There are some customers who continue to spend money that they do not have. If I go into a high-street shop as a customer, put things in my bag and walk out without paying because I cannot afford to do so, I will be done for stealing. All too often, however, I see good businesses that have traded for many generations being brought to an end because some of their customers have taken advantage of their credit terms, knowing that they could not pay. The consequence is that many jobs are being lost, and things need to be tightened. I would welcome the Minister's comments on that.

10.33 am

Mr Chuka Umunna (Streatham) (Lab): I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this debate. Frankly, the subject has not received the attention that it deserves, given the adverse impact of the fact that the economy has flatlined over the past nine months.

Everybody knows that there are disagreements about the Government's economic strategy, but the Opposition agree that growth, which we all hope will return, will ultimately be driven by the private sector. If Britain's 4.47 million small and medium-sized businesses do not thrive and prosper, our economy will not thrive and prosper. The simple reason is that they are the bedrock of our economy. Many of the owners and entrepreneurs running these businesses have identified a gap in the market, left their jobs and risked all to set up shop. They have had to cope with a difficult economic climate and have had many struggles.

My hon. Friend the Member for East Lothian (Fiona O'Donnell) spoke of the problems of SMEs in accessing finance. At the end of the day, they work hard and employ local people. They treasure every customer. It is not only about making money and a decent living; many of them have a huge passion for their businesses and many of their customers are the large companies about which we heard so much during this excellent debate.

The eight speeches that we have heard so far amply demonstrated the trials and tribulations of businesses in this country, but many of those businesses are going under not for want of sales, but because they have been let down by their customers. The culture in this country is that customers and those who receive supplies seem to think that it is okay not to pay for goods and services on time. I shall give an example of that attitude.

About 20 years ago, a well known businessman famously said how skilful he had been in stringing along his company's creditors. That businessman was Lord Heseltine, currently the chair of the independent advisory panel for the regional growth fund. When challenged about that statement, he did not withdraw it but said:

"Anyone who has started a small business knows they are likely to need tolerance. Small business people know it, creditors know it, bankers know it".

The problem is that such unacceptable attitudes still continue today. It is not surprising that 73% of members of the Federation of Small Businesses, responding to a survey in May, reported that they experienced late payments.

The Opposition carried out a survey in July and August of more than 150 businesses, and 83% of them said that the problem had become worse over the past year. My hon. Friend the Member for Oldham East and Saddleworth cited the situation of Ann and Harry Long, whose business was forced under by late payments. The hon. Member for Burton (Andrew Griffiths) spoke of his family's engineering business's struggles in dealing with late payments.

The consequence of all this, as my hon. Friend said, is that SMEs are owed a staggering £24 billion—more than the entire budget of the Department for Transport. It is not only a question of lost cash. There is also a huge loss of productivity; 158 million man hours are wasted every year in chasing bills. The latest figures from the Department for Business, Innovation and Skills show that 18% of business failures are a direct result of late payment.

I turn to where the problem resides. We know that it is primarily a business-to-business problem, although we heard today from many Members that it is a problem also for the public sector. Indeed, the hon. Member for Kettering (Mr Hollobone), who is no longer in his place, referred to the irony of HMRC owing moneys and paying late, yet demanding the payment of taxes. My hon. Friend the Member for Pontypridd (Owen Smith) also referred to HMRC.

Shortly after Lord Heseltine made his famous comment, the Labour Government responded to the growing problem with the Late Payment of Commercial Debts (Interest) Act 1998. That Act enables firms to charge interest and obtain compensation on overdue payments. If a firm has agreed a credit period with the purchaser of its goods, interest applies from the expiry of the credit period until the invoice is paid; if no credit period is agreed, a default credit period of 30 days applies instead. I appreciate what has been said, but although that Act serves as a deterrent it requires a certain amount of courage for businesses to litigate in such circumstances.

Following the 2008 crash, the Government worked with others to set up the prompt payment code. In the March 2010 Budget, shortly before the election and leaving Government, we tightened the existing rules governing payments by the public sector, setting Departments the goal of paying 80% of undisputed invoices within five days, and requiring them to do so within 10 days. Departments were also compelled to include clauses in contracts with suppliers, to ensure that contractors paid any subcontractors within 30 days.

Clearly, more needs to be done. In her excellent speech, the hon. Member for Newton Abbot (Anne Marie Morris) talked about some of the things that SMEs can do themselves, including ensuring that they have a written contract. When I worked as a solicitor, I always encouraged my business clients to have a written contract. She also talked about the need for SMEs to carry out credit checks.

The hon. Member for North Swindon (Justin Tomlinson) also talked about the need to ensure that invoices are chased in a timely fashion. A number of suggestions have been made about what more we need to do. I have publicly said that I welcome the Government's decision to carry on with our prompt-payment code. I should like to work with the Minister and his colleagues on a cross-party basis to get more companies, particularly large ones, signed up to that code.

We need to ensure that not only Whitehall Departments but all public sector organisations meet the 10-day and five-day targets. It is interesting to note that in the Federation of Small Businesses survey, those who reported problems with late payments from local government exceeded those who reported problems with late payments from central Government Departments and agencies.

Fiona O'Donnell: Given that the health and strength of the economies of the devolved nations of this country benefit from being part of the United Kingdom, is it not important that the Minister should also work with them to ensure that the practice is spread across the UK?

Mr Umunna: How could I possibly disagree with such a fantastic suggestion?

The Government need to be ever vigilant in enforcing the public sector targets because the figures obtained by the Opposition in July showed that seven Departments had not paid around £3.5 billion worth of invoices within the five-day prompt payment target. The Government must improve their monitoring of Departments to see whether they are meeting the target. At the moment, monitoring is quite patchy.

The hon. Member for Solihull (Lorely Burt) said that the prompt-payment target should be enforced all the way down the supply chain, and I could not agree more. The EU directive has also been mentioned. Although some Conservative Members are not famed for their love of Brussels, the Minister himself is. Perhaps he will ensure that the EU late-payment directive is transposed some time before the March 2013 deadline.

[Mr Umunna]

In conclusion, successful firms with sound business models are going under because customers abuse their position of power and disregard their contractual obligations to pay on time. Given that we all agree that SMEs have a key role to play in contributing to the future prosperity of the country—I should be careful to say here that I know that the micro, the small and the medium-sized business are all very different—we must do all we can to ensure that they are paid in a timely manner.

10.43 am

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): This has been a fantastic debate, Mr Hood, and we all owe a debt of gratitude to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) for introducing it. In pursuing this issue, she has shown both her knowledge and her determination. I am sure that she will agree with me that all Members here have not only shown knowledge of what is going on in their own constituencies and in the sector but contributed some interesting ideas and a number of questions. I will try to do justice to this debate by explaining what the Government want to do.

I was economic researcher for the Liberal Democrat party during the recession between 1989 and 1992, and late payment was one of the biggest issues on which we pressed the then Conservative Government. It is depressing that this issue has not gone away. In 1998, Labour passed legislation allowing compensation to be paid in cases of late payment. I never thought that measures such as that would be a silver bullet, but I hoped that they would begin to change the culture. I therefore welcomed that legislation and felt that it was the right approach. None the less, legislation can never sort out a problem. It can begin to change attitudes, particularly in an area in which millions of contracts are made between many different companies of all shapes and sizes.

Things are slightly better than they were in the early 1990s. Nevertheless, we have heard from some eloquent speakers that there is still a problem here, so we need to tackle it. Sometimes, however, the debate on late payment becomes a little simplistic and lacks real evidence. That is not to decry today's contributions, but we must look at the evidence to ensure that we get to the real causes of late payment so that we can identify the best means of tackling it. We need to diagnose the problem properly.

Late payment is not exclusive to any sector or to any style of business. Although I sympathise with those who say that this is big business abusing its power, an awful lot of payment is between small businesses. The majority of contracts that any small business has are with other small businesses. We should not say that it is just a big business problem against small businesses, because the issue is about more than bully-boy tactics. Research shows that of the moneys owed by large businesses, around 40% is overdue compared with 30% for small businesses. The problem therefore affects businesses of all sizes.

I acknowledge that it is important for large businesses to give a lead here, to step up to the plate and set a good example. There is support across the Chamber for the Institute of Credit Management's prompt-payment code, which is backed by the UK's leading businesses and finance bodies. The code requires signatories to pay according to agreed terms, and there are now more than 1,000 signatories. People may say that that is not many, but they represent more than 60% of the total UK supply chain.

The Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for Hertford and Stortford (Mr Prisk), who normally speaks on such matters, launched the new "Be Fair, Pay On Time" campaign in June, which backs up the prompt payment code. I agree with the hon. Member for Streatham (Mr Umunna) that we should work on a cross-party basis to encourage even more signatories to this code. Certainly, that is the Government's aim. We very much want actively to encourage new signatories to this important code.

I agree with those Members who argue that the public sector should be an exemplar. Indeed the previous Government played a role in developing that policy. At the time, the Opposition parties argued that they should develop that policy, too.

There is some confusion over how the Government are performing, which is mainly due to the confusion over the pre and post-election targets. The pre-election target from the previous Government was 90% in 10 days. The target that we have been operating is 80% in five days. We felt that a quicker period was important. My own Department is paying 93.6% of our bills within five days, which is significantly faster than the target. Our evidence shows that the performance in this area across Whitehall has been continuously improving. Private business is also saying that local authorities are improving and paying faster than ever. On average, they pay in 18 days.

Mr Umunna *rose—*

Mr Davey: I am happy to allow hon. Members to speak, but I must say that our record is rather better than it was portrayed.

Mr Umunna: One of the other areas of confusion is that the five-day target is an aspiration; the 10-day target is a requirement.

Mr Davey: I believe that that is correct, but we are beating our aspirations.

Fiona O'Donnell: Some of the most vital SMEs in all our constituencies are local post offices—I have debated this issue with the Minister before—and they depend on the Government for their health. Has the Minister carried out any assessment of the weakening of the requirements on Government Departments on local post offices?

Mr Davey: I must confess to the hon. Lady that I myself have not made any assessment of Government Departments in relation to local post offices. I will see whether my Department or Post Office Ltd have made that assessment. If Post Office Ltd has made that assessment, I am sure that it will want to share the information with her.

The hon. Lady said earlier that the Government should work with the devolved Administrations on this issue. The whole of government—whether it is the

devolved Administrations, local authorities or even parties working on a cross-party basis—needs to send out a clear signal that we want companies to pay their bills on time. That would make an important contribution towards ensuring that this economic recovery is as strong as possible.

There is an important point that was not made as often as other points during the debate, but it is none the less important to stress, which is the need to improve the way that companies manage their invoices. Obviously, many companies manage their invoices well, but some companies create the problem of late payment for themselves. Better management of invoices is something that we should emphasise. We believe that more than half of all UK business transactions take place with no pre-agreed payment terms, which is astonishing. Barclays has done some analysis in this area and its data suggest that only one in 10 suppliers regularly credit-checks their customers. Clearly, companies themselves need to do some work.

Under the previous Government, my Department undertook some research with Experian to look at payment of invoices to suppliers by four large FTSE 100 businesses. The total value of the sample invoices was more than £1 billion. There was no evidence at all of systemic late payment by those four companies. Typically larger companies in the UK have moved to electronic purchasing and invoicing, which means that late payment is no longer an option for them. I am not saying that there is not a problem with smaller companies; clearly there is, and we have heard contributions to the debate that show there is. However, it is worth putting on record that electronic payment systems in some of the largest companies are beginning to change things.

That research, which was carried out under the previous Government, identified clear evidence of poor invoicing by some suppliers. By that, I mean that invoices were completed incorrectly or submitted late. Consequently, data on payment across the UK economy are generally flawed, because of a single factor—due dates for payment are collected using the date provided on supplier invoices and more often than not those invoices reflect the terms assumed by the suppliers rather than the terms assumed by or contractually defined by the customer. So, there can be confusion about how that type of payment operates in practice.

That is why we see the average time for payment in the UK economy coming out at around 16 days beyond agreed terms. What typically happens is that suppliers assume a 30-day payment period, while the period adopted by the majority of larger businesses is 30 days net monthly; that is, 30 days from the end of the month in which the invoice is received. So we need to work really hard to ensure that suppliers have the information support that they need to manage their customer relationships and cash flow. Work is being done to try to help suppliers not only by the Department but by outside organisations. For example, since 2010 there have been more than 250,000 downloads of the simple checklists developed by the Institute of Credit Management to help suppliers manage customer relationships.

Inevitably, legislation was discussed during the debate. As I mentioned earlier, the UK was one of the first countries to introduce legislation setting out the rights of a supplier to agree payment terms and to secure payment. When we consider what other legislation might be introduced, I must point out that the majority of business bodies oppose any strengthening of the current legislation. Partly that is because many suppliers have long-standing relationships with their customers and—as has been mentioned—they are unlikely ever to resort to legal action to chase up payment from those customers. Where suppliers seek to use legislation to secure payment, weak invoicing means that all too often the courts are unable to intervene meaningfully. It is not that the courts are unwilling to intervene to enforce the law. Instead, when these matters have been examined, it has emerged that sometimes it was the supplier that failed to invoice the customer properly.

That is not to say that I do not see legislation as being entirely unimportant for setting the environment in this area. I encourage suppliers to set out their invoices with the agreed payment terms, stating very clearly the fee that will accrue if payment is not made by the due date. That is what the hon. Member for Streatham (Mr Umunna) was advising his clients to do when he was in the legal profession. It is very important that these contracts are set out clearly. If they are not set out clearly, suppliers have no chance of using the legislation, whatever it might be.

There was a question about the European legislation on late payments. Actually, UK legislation on late payments has played a really important part in shaping the EU legislation, and the recently revised EU directive on late payment very much mirrors UK practice. Because the revised EU legislation follows UK practice so closely, we are seeking advice on whether it will entail any changes whatsoever to existing UK legislation.

Mr Umunna: I agree with the Minister that the EU regime is essentially very similar to our existing domestic regime. However, the EU regime introduces minimum fixed amounts of compensation for late payment, and I think that it also slightly tightens the time periods for payment.

In the five minutes that the Minister has left to respond to the debate, can he say what more can be done about expanding the compliance with targets of the public sector organisations beyond Whitehall? In Whitehall, the worst offender on late payment is the Department for Communities and Local Government and surely that Department has a role to play in getting local authorities to pay suppliers promptly and on time. As I said in my speech, in some senses local authorities are a bigger problem than central Government in terms of public sector bodies failing to pay on time.

Mr Davey: The Secretary of State for Communities and Local Government is keen to ensure that all Government Departments are doing their best, and I am sure that when he reads this debate he will note the hon. Gentleman's comments.

Regarding the hon. Gentleman's comments on the EU directive, we will undertake a second consultation in the winter of 2011-12 and will then transpose the legislation into UK law in the first half of 2012, which is earlier than we are required to do. I hope that that addresses some of the concerns that colleagues have expressed during the debate.

In the final minutes that I have left, I want to try to address some of the points that I have not yet dealt with. For example, my hon. Friend the Member for

[Mr Davey]

Solihull (Lorely Burt) asked how we are progressing with the approved supplier status, having committed ourselves to trying to simplify the application forms. I recommend that she reads the Cabinet Office report published in July that shows that 14 out of 17 Government Departments have removed the requirement for pre-qualification questionnaires for contracts for less than £100,000. As she is aware, those questionnaires were the really big bugbear that many companies complained to us about. The remaining three Departments are piloting an open group process. So there has been some real progress. Clearly there is more to do, but we are going in the right direction.

There were a number of excellent contributions to the debate. I particularly liked the contribution of my hon. Friend the Member for Newton Abbot (Anne Marie Morris), who showed a lot of knowledge of this issue. She made the point that late payment is, in many ways, a private sector issue, because both this Government and its predecessor have made some headway on late payment within the public sector. She also referred, quite rightly, to the issue of trade credit insurance. That is one of the issues that I asked about in preparing for this debate. In many ways, trade credit insurance is a private sector solution. The market for trade credit insurance is relatively small and—almost by definition—those people who use it tend to be more educated and better trained in managing their cash flow and invoicing. She referred to the sausage firm in her constituency, which is obviously now growing with a bang, and she was quite right to say that trade credit insurance is not the answer for everything.

My hon. Friend was right to say that we should be very careful before we go down the compulsion route. That has always been my view too and the examples that she referred to from Australia and other EU countries that have gone down that route showed that in the end compulsion is not helpful to businesses on either side of the late payment issue.

My hon. Friend also talked about accounting standards. She will be aware that the Government do not want to tie up business in red tape, but as I am the Minister with responsibility for corporate governance and as I am looking at narrative reporting, I will certainly take on board her points and consider them very carefully.

The Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for Hertford and Stortford, who is the Minister with responsibility for small businesses, will read this debate with relish, because of the quality of the contributions to it. I thank hon. Members for their contributions, and I particularly thank the hon. Member for Oldham East and Saddleworth for ensuring that we had the opportunity to debate this issue.

Media Ownership (Regulation)

10.59 am

Mr Graham Allen (Nottingham North) (Lab): As always, it is a pleasure to serve under your chairmanship, Mr Hood.

Media ownership in this country is massively over-concentrated, and that has resulted in a number of problems, some of them profoundly unhealthy for our democracy. The media are so over-powerful that they have frightened and corrupted Governments of all political colours, and have chilled and intimidated Parliament and Members of this House in the performance of their duties. Vibrant British politics has shrunken into a grotesque tango between the press and No. 10 Downing street, who are unwilling but inseparably locked partners in a duopoly that diminishes all others, including Parliament, local government and civil society. For me, the ownership problem is not about the corruption techniques that have recently been exposed; it is part of the broader question of the settlement of our democracy: a democratic agenda, and a Britain in which people know their rights, own their politics, aspire to better for themselves and their families as citizens, and are less subjects and placid consumers of low-grade trivia.

The problems of the press pre-date hacking. There are a number of problems with the role of the press, including the constant denigration of individuals, the culture of cynicism, the trashing of whole classes of people—Members of Parliament know a little about that—the demise of the inspiring and investigative journalism that I was used to in my youth, the dumbing down of once-great newspapers, and the international reputation of our press. Those problems deserve a hearing, but I will not go into them in any detail here. All too often, the press will lead and the rest of the media pack—TV and internet—will fall behind the very low standards that are set. We deserve better from our media.

Today I want to focus on the greatest threat to a free and independent media: the over-concentration of ownership. When one person or organisation can become so insulated by its own power from scrutiny of its behaviour, and so important that Prime Ministers of all colours go cap in hand hoping for its approval, our already feeble and unwritten system of checks and balances becomes more obviously ineffective, and we should fear for our democracy and take action to protect it.

Much of the recent debate has been about symptoms not causes, about the things that the press themselves are interested in, including hacking and intrusion, and unhealthy links and relationships, rather than about what we as politicians should focus on: the power that distorts markets and politics alike. It is that distortion that drives the practices that we have recently seen, such as hacking and a tendency to be loose with the truth and protected from the consequences. The answer is to create a broader diversity of ownership of media outlets and let good, professional, effective journalists blossom and get on with their job of standing up for ordinary people and getting the truth our there for us all to consider and reflect upon.

Now is a good time to make progress. I congratulate the Prime Minister and the Secretary of State for Culture, Olympics, Media and Sport for picking up on this

problem, along with the Minister present today—the Under-Secretary of State for Culture, Olympics, Media and Sport, the hon. Member for Wantage (Mr Vaizey). In the middle of the hacking scandal, the Opposition day motion on Mr Rupert Murdoch and News Corporation's bid for BSkyB contained no reference to ownership. I amended it by adding that the Prime Minister

"should consider a statutory settlement for the press based upon the principles of diversity of ownership, fairness and honesty".

That was happily superseded by the Prime Minister's amendment to the motion, which set up the review of media ethics and regulation that we now know as the Leveson inquiry, and included

"the issue of cross-media ownership...more effective way of regulating the press—one that supports its freedom, plurality and independence from Government".—[*Official Report*, 13 July 2011; Vol. 531, c. 312.]

I am pleased that the Government have developed a position that includes those matters.

We all await the results of the Leveson inquiry, and I very much hope that it will balance its examination of the symptoms—some of the sexier press behaviour—with that of the causes, such as the lack of plurality of the media, and media and cross-media ownership. It should not be an incestuous inquiry, giving the media prurient stories about the media and thus feeding the cycle. It should look outwards at the media's involvement in and relationship to our constitution and our politics. It should seek to lay the ground rules of a strong, independent media, with the possibility of opening up a new chapter and restoring the media's reputation as a key contributor to the plurality of institutions in our democracy. That is what the media need to be, and Justice Leveson might help to nudge us all towards that better position.

Susan Elan Jones (Clwyd South) (Lab): Does my hon. Friend agree that a plurality issue in Wales concerns the fourth channel, S4C, which is Britain's only Welsh-language television channel? Many people fear that the proposed Government changes to the channel will jeopardise its independence. That is important, not just because of Welsh-language broadcasting but because of the plurality of media ownership. Many of us fear that the channel will be subsumed into the BBC, and that monolithic way of broadcasting cannot be good for any of us.

Mr Allen: My hon. Friend makes her point very eloquently, and the Minister will no doubt wish to refer to it in his concluding remarks.

Those of us who support effective regulation are the friends of an evolving, developing, vibrant and refreshed media and will not be painted as people who do not want diversity. On the contrary, the people who object to diversity and plurality are the very people who have a monopolistic settlement that they wish to preserve. It is very important to consider this matter, and that Lord Leveson, with the Minister's encouragement, looks at proper regulation, not by the Government but by a strong, independent regulator that is respected by all parties. That should not be feared. We can consider the ethical codes that apply to the BBC and to independent television. Those codes are fair, uncontroversial and totally accepted, and there is absolutely no reason why we should not aspire to the same sets of ethics for the press.

Tougher media ownership laws are required in this country; the ownership of the press needs to be at the forefront of the debate. I hope that Lord Leveson does not decide that there has to be a totally comprehensive and coherent cross-media ownership set of rules, or that he is paralysed by dealing with sectoral ownership in the press, television or other media outlets. There should never again be the concentration of unaccountable power in this country that we have seen in the media in recent years.

While there is a well-documented history of the rich and powerful abusing media ownership and resisting regulation, there is also a history, from this place, of efforts to attempt to tackle the abuses. I would like to pay tribute to a former colleague, Clive Soley, who in 1992, when he was the MP for Hammersmith, called for a new independent press authority to investigate and monitor ethical standards of the press, distribution of newspapers, ownership and control of media, access to information, restrictions on reporting and any related matter that that authority might consider. He could have been speaking at the end of the recent hacking scandal, and I hope that Mr Soley feels that his day may soon dawn.

Certainly, the long-running weaknesses of the Press Complaints Commission have recently been starkly exposed, and it is here that self-regulation most clearly fails. Many of us may have suffered from being traduced in the media. We complain, and then the complaint disappears into the bowels of the PCC. Many months later, if we are lucky, we may get a microscopic apology on an obscure website. That is frankly no longer acceptable in a modern democracy and needs to be examined. Lord Leveson also needs to look at a right of reply that can be fairly and practically implemented, so that people feel that they have redress if they are wronged or feel wronged by the press.

I was pleased that the Secretary of State for Culture, Olympics, Media and Sport stated that we need to look carefully at cross-media ownership laws and whether the merger rules for media takeovers work as effectively as they could. Consideration must also be given to the suitability of those who push for greater slices of the media pie for themselves. Does the Minister support my call for a negative resolution of this House that would explicitly enable his boss, the Culture Secretary, to take the public interest into account, and which would give him the ability to order a fit and proper person test to be carried out in any future media acquisition? It would be a simple and modest safeguard to look after the interests of the broader media family. Also, does the Minister agree that an immediate amendment to the Enterprise Act 2002 to allow the public interest and a fit and proper person test to be taken into account in media takeovers would be a positive step that should secure all-party support? In doing that, along with introducing tougher cross-media ownership laws and ensuring the plurality of the media, we will finally be able to begin to develop a plural and diverse media in the UK and to tackle the causes of some of the gross abuses of power that we have seen from the rich and the powerful who own those organisations.

The key question is whether there is the will to do it. I hope that given the recent scandals, the Government can take courage from the public reaction to take the necessary steps. There is a moment here. Many of us

[Mr Allen]

have waited many years for it, and if it is not seized, we could wait many more years to give the press and the media the boost, encouragement and boldness to start to be a new part of a wider, broader and democratised constitution. Can the House of Commons, enfeebled by years of subservience to the Government and the media, also help to seize the opportunity? The jury must be out on that particular question.

If we get those two big institutions—the Government and Parliament—to work as effective partners with the media, instead of sour cynicism, denigration and mutual recrimination, we could enter a new partnership between those three institutions, with all of them playing an enhanced role. I hope that that will happen. If we do that, Parliament can be less inhibited in holding the Government to account and, above all, it will increase the potential for the Government to work for the future rather than for the next day's headlines.

11.14 am

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): It is a pleasure to serve under your chairmanship, Mr Hood. I thank the hon. Member for Nottingham North (Mr Allen) for securing this important debate. I hope that he will not mind or become cynical, thinking that I am trying to neuter his remarks, if I use this opportunity to say how much I admire him from afar for not only his sterling work in the House to protect the interests of Parliament, with which I wholeheartedly agree—we need a stronger Parliament to hold the Executive to account—but his valuable work on early-years education and, perhaps most importantly, his support for the great sport of cricket.

The debate raises a number of important issues, and I welcome the opportunity to have a constructive discussion about some of them. Media ownership is a high-profile issue at the moment; questions about the plurality of the media and its implications are live. It is interesting that the issues regarding News Corp's takeover of Sky and the furore that that created are combined with the rapid changes to the press that new technology is bringing. It is only right and proper for us to discuss such issues and rehearse how the Government intend to address them. We want to look at media ownership constructively, as we do not want to set ownership limits that would have a disproportionate effect on growth.

Before I come to the main points in response to the hon. Gentleman's debate, let me briefly address the points raised by the hon. Member for Clwyd South (Susan Elan Jones) in her intervention. I understand why she wanted to raise the issue of S4C. She is a champion of that important channel, which was set up in 1982 to promote Welsh language broadcasting and which has many glories to its name. I assure her that the Government intend to ensure that S4C remains a strong and independent force in broadcasting.

Our intention is that S4C should be funded via the BBC, and therefore the BBC should have some space on its board. There is already close collaboration between the BBC and S4C on the provision of news, for example. Nevertheless, there are important safeguards for independent content control for S4C. Discussions are currently ongoing between the BBC and S4C, which I understand are fruitful and productive.

On the debate secured by the hon. Member for Nottingham North, there are three areas that we need to look at: plurality, the Leveson inquiry to which the hon. Gentleman referred, and media ownership in general. As I said, the proposed takeover of Sky has brought the question of media plurality to the forefront. The News Corp bid highlighted problems with existing media ownership regulations that need to be discussed and debated.

When Ofcom produced its initial report on the proposed News Corp takeover of BSkyB, it identified a potential gap in the media ownership regime, which has been well aired. There is a potential weakness, in that the public interest test that accompanies questions about media plurality can be triggered only when a merger takes place. At present, the system cannot address concerns that arise from the organic growth of one particular media organisation.

We understand the need to look at the current system, but we do not want to rush into a change in media ownership regulations simply as a reaction to one controversial takeover bid. We do not want to make changes that could have knock-on effects further down the line, which we are not able to foresee. However, that does not take away from the fact that we want to investigate the issue thoroughly, rehearse and debate it in public and come to a conclusion as we approach the publication of a communications Bill and the parliamentary discussion of that Bill.

In the context of the Leveson inquiry, the hon. Gentleman also discussed the importance of regulation of the press, referring to the calls that have been going on for 20 years or more for proper independent regulation of the press. I note what he said about the Press Complaints Commission. The PCC has many critics, but it would say in its own defence that it works closely with people who have concerns about the press and often prevents the press from publishing damaging stories when agreement can be reached that a story is unfair. The good work of the Press Complaints Commission does not necessarily get the prominence that it deserves. However, the right of reply and the prominence of apologies are live issues that have been debated recently in the House.

Lord Justice Leveson is now conducting an inquiry focusing on the regulation of the press, the relationship between the police and the press and media ownership and plurality rules. Lord Justice Leveson held his first preliminary hearing last week; his work has only just started, and he has many issues to consider. The inquiry will concentrate initially on the behaviour and practices of the press, but he also intends to consider media plurality, as I said. I assure the hon. Gentleman that my Department will co-operate fully with the Leveson inquiry.

It is important to emphasise that the inquiry is completely independent. It is up to the inquiry to ask my Department for assistance rather than for us to be seen to influence the inquiry in any way. We are responding to information requests from the Leveson inquiry. When the report concludes, the Government will of course listen carefully to its recommendations and incorporate them, where appropriate, in final decisions about the Bill on media ownership and the future regulation of the press. We must be mindful of the time scale for the Leveson inquiry, which aims to examine the issues of press regulation and media ownership within a year. We want to hear what the inquiry says, as it will be a significant piece of work on media regulation.

In general, we believe that it is important for the media to reflect different viewpoints at national level and to safeguard democratic debate. Media ownership rules are important to prevent any one UK media company from obtaining too great a concentration of media power. Competition rules will usually ensure an outcome that promotes plurality, but not always, because they are designed to prevent abuses of market power. It is possible for someone to be dominant from a plurality point of view without acting in an anti-competitive fashion. Without additional plurality rules, we will be unable to prevent a concentration of media power.

As I said in my opening remarks, we are acutely aware of how changes to technology make media ownership and plurality complicated issues. The media landscape is changing rapidly, as is the way in which it influences debate and informs citizens. It is therefore even more important that the rules do not allow one person or organisation control over the entire media landscape. At the same time, it is also important that the rules do not unreasonably constrain the working of the market. We want a vibrant media sector capable of innovating and of attracting investment, ideas and skills. The challenge is to strike the right balance.

My right hon. Friend the Secretary of State for Culture, Olympics, Media and Sport will make a speech this evening at the Royal Television Society conference. He will outline his early thinking on numerous issues across the media sector, and will address in particular media ownership, plurality and press regulation. As was reported earlier this week and as he will say this evening, the Secretary of State has asked Ofcom to prepare a report on the options for measuring media plurality given the new online world in which we exist, to recommend the best approach and to supply a copy of the report to the Leveson inquiry. That work will form part of our communications review, but I hope that it will also assist the Leveson inquiry.

The hon. Gentleman called on me and the Government to support a change now to media ownership regulations. Specifically, he asked us to support the proposals of the shadow Culture Secretary, the hon. Member for Bury South (Mr Lewis). With the greatest respect, I am not sure that those changes have been entirely thought through. I am not sure whether the shadow Secretary of State has the power to introduce such a change; my understanding is that the Enterprise Act 2002 allows only the Secretary of State to do so.

More importantly, to discuss the substance of the proposal rather than any technical hurdles to its adoption, Ofcom is already required to ensure that any person holding a broadcasting licence is and remains a fit and proper person to hold it. That requirement is ongoing, not a one-off requirement limited to mergers. I am not sure that the amendment is necessary, and it could narrow the scope of the current duty on Ofcom.

My further concern with the proposals of the hon. Member for Bury South, bearing in mind that he is not here to defend them, is that they could add to the politics of the situation rather than detract from them. The Secretary of State conducted himself impeccably throughout the News Corp takeover process. He sought legal advice at every stage, he was transparent and he published that legal advice when appropriate. Nevertheless, the fact that a politician had the final say in the takeover proposal allowed people to speculate that undue influence was being exercised. It therefore seems likely that the direction of travel in such contentious takeover proposals is to try as far as possible to remove politicians from the process.

What concerns me about the proposals of the hon. Member for Bury South, well meaning though they are, is that they would effectively allow a Secretary of State to take into account new factors, which seems wide open. Almost any factor could be taken into account and inserted into the current process, which would create enormous uncertainty for every media company in the country—and perhaps inadvertently increase, rather than reduce, political interference in such processes. For that reason, we do not support the proposals. The Secretary of State has written or will write a response to the letter sent to him by the hon. Member for Bury South calling for his support for the proposals.

Mr Allen: Before the Minister concludes, I should say that he is making a sensible and rational contribution to an extremely important debate. Will he say something ridiculous and outrageous so that his comments will be reported fully in the press tomorrow, rather than ignored?

Mr Vaizey: The hon. Gentleman makes a fair point. It is a matter of regret. As he well knows, there is an adage: "If you want to tell a secret, the best place to do it is probably in the Chamber of the House of Commons," because it is rarely reported. Those of us who love the House of Commons and politics would love for the media to return to devoting a page in the newspaper to reporting parliamentary proceedings. We have to listen to Radio 4's "Today in Parliament", or there is, of course, the BBC Parliament channel, which we can watch all day if we want. Many of us—I am sure that you are the same, Mr Hood—prefer nothing to watching the Parliament channel whenever we get a spare moment, catching up on the odd Select Committee appearance by our colleagues and so on. I find it riveting viewing.

I thank the hon. Gentleman for securing this important debate. As I said, a huge number of issues are involved, including media plurality, media ownership and regulation of the press. Our approach is twin-track. We are moving towards an important communications Bill in a changing area of technology, alongside the important and independent Leveson inquiry into the press.

11.30 am

Sitting suspended.

European Union Fiscal Union

[ANNETTE BROOKE *in the Chair*]

2.30 pm

Mr William Cash (Stone) (Con): In the light of developments not only today but over the past several decades, not to mention more immediate events since the Lisbon treaty and the general election, I am glad to have the opportunity to deal with the question that has been embedded in the history of the European Community and the European Union over a long period. It relates to the creation of a two-tier Europe, which the fiscal union appears to represent. I cross-examined the Prime Minister on the issue in the Liaison Committee about a week ago, and I cannot say that his answers were satisfactory. I therefore take this opportunity to reply, vicariously through the Minister, to the Prime Minister on a number of the matters that remain outstanding.

Mr Barroso, the unelected President of the European Commission, gave a speech this morning, lecturing the whole European Union, and the world for that matter—not to mention the United Kingdom—on what is to be done about the mess that has been created over the past 20-odd years. In fact, it is much more than that, but I shall draw a line at the Maastricht treaty for present purposes; otherwise, we will be here all night.

Curiously, Mr Barroso takes the view that, in the short term, there has to be—surprise, surprise—reinforced economic governance. He also argues that all this can be done only by way of the Community method; in other words, nothing changes. In his speech, he had the temerity, despite the failure of the Lisbon agenda and the 2020 agenda, to say:

"Growth is key and we must use all instruments available to promote growth".

He went on to talk about using the Single Market Act to promote sustainable growth. Then, somewhat ominously, he referred to his promise—this is not just a floated idea—that

"the European Commission will very soon propose a Financial Transaction Tax."

The clear implication is that that will apply to the European Union as a whole. It would be interesting to hear what the Minister has to say about that.

Mr Barroso went on to talk about the governance of the euro area, saying:

"A system based purely on intergovernmental cooperation has not worked in the past and will not work in the future. After all, this is why the Community method and the European Union institutions were created by the member states in the first place."

He continued:

"The Economic and Monetary Union cannot function properly only on the basis of decisions taken by unanimity,"

So there goes that veto. He went on:

"Because if a eurosceptic fringe"—

I suspect that that refers to the likes of me and, I hope, other Members of the Government, and certainly to the majority of hon. Members who have turned up to this debate—

"can determine the position of one Member State and one Member State can block decisions, the result is that we are not credible."

That raises the question, of course, of whether the policies are credible in the first place.

Kelvin Hopkins (Luton North) (Lab): On the Eurosceptic fringe, the fact is that, on many occasions when referendums have been held, the majority have voted in a Eurosceptic way, so it is possible that there is a Eurosceptic majority in the European Union.

Mr Cash: Opinion polls in this country have regularly indicated that 70% want a referendum and, moreover, would vote yes against the idea of the continuation of our present relationship with the European Union. People want renegotiation and if they do not get it, they want to leave. That is the position.

We are confronted with an incredibly serious situation that is getting worse. There will be a telephone conference this afternoon—it might already be in progress, at the very moment when we are debating this question—between Monsieur Sarkozy, Angela Merkel and Papandreou, because the system has failed. If, however, we raise the question of its failure, the response is, "We don't want less Europe; we want more," so they want more integration, not less.

Jake Berry (Rossendale and Darwen) (Con): Will my hon. Friend concede that the system was set up to fail by the fiddling of figures when it was established?

Mr Cash: Yes, I certainly will. In the case of Greece, it is perfectly clear that, to put it bluntly, misrepresentations —and even lies—were contained in the statistical base on which it was brought in. Indeed, even the present German Chancellor has criticised the way in which it was allowed to come in when it did.

In his speech, Mr Barroso said:

"The conclusion I draw is crystal clear—The only right way to stop the negative cycle and to strengthen the euro is to deepen integration, namely within the Euro area, based on the Community method."

He went on to say:

"What we need now is a new, unifying impulse—'un nouveau moment fédérateur'".

Let us get this clear—he means a new moment of federal fervour, although that is my translation. He continued by saying,

"let's not be afraid of the word, moment fédérateur is indispensable."

He went on:

"It has become clear that we need an even greater integration of our economic and budgetary policies."

Do not get the impression that he is referring exclusively to the proposed fiscal union. His ambitions extend to the whole European Union. This is a call to arms by the Eurofanatics—let us be in no doubt about that.

On eurobonds, Mr Barroso, having said that we need even greater integration of our economic and budgetary policies, confirms that the Commission, again, on behalf of the European Union,

"will soon present options for the introduction of Eurobonds",

on which, as it happens, the German constitutional court has cast grave aspersions. Indeed, I understand that the President of the German Republic has also said that he regards them as illegal. I could spend a lot of time going into that, but I do not need to for the moment. Mr Barroso said:

"Some of these options could be implemented within the terms of the current Treaty"—

that is the abominable Lisbon treaty, which we accepted after we had opposed it as a party, united together, and called for a referendum that we never got—

"and others would require Treaty change."

I wanted to draw all those matters to the attention of my colleagues, because they are the latest emanations from the European Commission. This is what it is about and, as we speak, none of it is being reported.

Graham Stringer (Blackley and Broughton) (Lab): The hon. Gentleman is describing something that is not surprising; we are getting milk from the milkman in terms of the statements that he has read. Does he, like me, find it depressing that the Front-Bench representatives of both main parties argue for less democracy, rather than more, in the eurozone?

Mr Cash: That is absolutely the case, and it is very depressing. The whole objective of the treaty arrangement, from its inception and the days of Jean Monnet onwards—and as evidenced by recent treaties, including the Lisbon treaty—is essentially undemocratic.

Implementing the measure would create a situation in which people in this country, who in general elections have voted through their own free choice at the ballot box for policies, were denied those policies because the proposals brought forward by majority voting in the European Union are inimical to growth and deficit reduction.

I shall explain why it is so fundamentally wrong for the Prime Minister, the Chancellor of the Exchequer and the coalition Government as a whole—under the baleful influence of the Liberal Democrats—to advocate the idea of a fiscal union. For reasons that I will explain, fiscal union is immensely damaging to the national interest and our economy.

Mrs Anne Main (St Albans) (Con): Does my hon. Friend share my concern that it is the language surrounding these new moves that is deeply worrying? I believe that those people who had a chance to vote on whether they wanted to join what they thought was the common market would never have done so at any time if the rhetoric that we are now hearing had been used then. The language being used relates to deeper fiscal integration, eurobonds and basically subsuming what the British people want. That is why we need to ask the people again whether they wish to embark on this experimental project.

Mr Cash: I am grateful for that intervention. Indeed, when the Chancellor of the Exchequer made his statement—which he slipped in, as it were, in the middle of the emergency debate on the riots—he said that he was going to promote the idea, and that the Prime Minister had already spoken to Mrs Angela Merkel and Mr Sarkozy and had encouraged them to go ahead with fiscal union.

In addition, he said that he, as Chancellor, had already made overtures to other Chancellors in other member states advocating the idea of fiscal union. When he said that, he was ignoring the fact that the consequences of going down that route would, as I said at the time, have been such that even Edward Heath would not have proposed it back in 1971-2. Indeed, if hon. Members look at the White Paper produced at that time, they will see that it says that we would retain the veto in our national interest and that to fail to do so would not only be immensely damaging to the United Kingdom, but would even endanger

"the fabric of the European community itself."

Since then, we have had an accumulation and aggregation of policies in defiance of the democratic issues and principles to which the hon. Member for Blackley and Broughton (Graham Stringer) referred—and, indeed, in defiance of the wishes of the people of this country and, as the hon. Member for Luton North (Kelvin Hopkins) said, of other member states such as Ireland, Denmark, Holland and France. Every single time a referendum, which shows the democratic wishes of the people in question, has been overriden, we are being taken down a route that, above all else, does not work. That is the problem.

Apart from the matters of principle, the real problem is that such an approach does not work and is now causing immense damage. For example, there are incredibly high levels of youth unemployment in places such as Spain, where 47% of young people are unemployed. There are similar levels of unemployment in Greece and Italy, although the figures are not quite as high as 47%.

I do not need to read all the figures out, but the official statistics for unemployment among youths under 25 are 46.2% for Spain, over 23% for eight countries and 32% for one country. This is not a working system; this is a system that is destroying people's aspirations and prosperity.

Mr Gregory Campbell (East Londonderry) (DUP): I commend the hon. Gentleman for securing the debate. I agree with what he is saying, particularly his comments about the system simply not working. However, does he agree that part of the problem that the United Kingdom is faced with is that we need to have a cohesive alternative to the total integration policy that he is outlining, which I am sure is completely different from the approach that he will discuss shortly? A practical coherent alternative needs to be laid out by our Government to try to lead ourselves out of the mess into which we have got over the past 20 years.

Mr Cash: I am extremely grateful to the hon. Gentleman. He may recall that I raised the matter in Prime Minister's questions, when I asked when the Prime Minister would lead us out of the mess that had been created by the existing treaties. This morning on the "Today" programme, we heard Lord Lawson of Blaby echoing that call and saying that he had always had grave reservations about the political union. I can only say that when the Maastricht treaty came and went, a lot of those arguments developed at the same time. The hon. Gentleman is completely right in saying that we must have a constructive alternative.

I have always advocated the idea of our working effectively with a European system capable of producing the right results. In fact, I hope that no one will mind my holding up a copy of a book that I wrote in 1990 called "Against a Federal Europe: the Battle for Britain." I think I can confidently say that there is not very much in there that I would change and that most of it appears to have come true. To answer the question asked by the hon. Member for East Londonderry (Mr Campbell), I should say that it is very alarming to note that the first chapter is entitled "Britain for Europe"; it is not only a

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case of "Britain for Britain" but of "Britain for Europe," because it is certainly true that we are affected by what goes on in the other member states.

As I have said many times before, the answer to the question is to go down the route of having an association of nation states, whereby we would return the right and proper power to this Parliament to make judgments on behalf of the people who have chosen us in a ballot box, to follow through policies, and to try to work in a form of understanding made on the basis of trade and political co-operation.

That was the situation anticipated by the 1975 debate when we had the referendum, which people understood. However since then, there has been onward and continuous progress towards ever further integration in an ever more undemocratic and ever more dictatorial manner. The time has come when we have to draw a line. It should have been drawn a long time ago. We drew it as a party over Lisbon. We said that we would not accept that treaty, but now here we are implementing it like there was no tomorrow.

A rather intriguing article by Camilla Cavendish was published on 8 September—only a few days ago—in *The Times*, which also had rather a good leader, either on the same day or the day before. It is rather amusing that she says:

> "It's no longer cuckoo to take the Swiss road; Britain and the EU are no longer going in the same direction. We should grab the chance for an amicable divorce".

She then explains how that would be done. Essentially, she is arguing for an association of nation states, as many of us have. We are at a dangerous crossroads. A particular reason for this debate is the fact that the idea of fiscal union is being promoted. In our opinion—or in my opinion, anyway—that is entirely the wrong direction to take in the context of the broad landscape that I have been seeking to identify.

Henry Smith (Crawley) (Con): My hon. Friend is making a persuasive argument. On the point of European nations not being members of the EU but being very successful, the article that he mentions refers to Switzerland, but there have recently also been articles about how the Norwegian krone is attracting a lot of investment. That is another example of a successful European nation outside the EU, which reinforces the point that an association of nation states rather than a political union is the best way forward.

Mr Cash: I endorse entirely what my hon. Friend has said. We are at a crossroads and it is a very dangerous crossroads. We have to get it right. It simply is not good enough to appease the European institutions by going along with their ideas when we have our own national interest to stand by, support and protect. We are not just talking about institutional arguments; we are talking about real people, their real daily lives, the unemployed and the people who cannot increase the enterprise of their businesses.

I was deeply concerned in my exchanges with the Prime Minister. I put a question to him on the question of the single market. In reply, he made it clear that he was conscious of a fact, which I had put in a pamphlet that I had published the day before. The pamphlet, by the way, is called "It's the EU stupid", because we have got to a stage where it is obvious that the EU is at the root of so many of these problems.

On the question of the single market, I pointed out to the Prime Minister that if there is a fiscal union of certain member states it is inevitable, as a matter of solidarity, that they will use the treaties to transfer their own wishes, through majority voting and a block vote, in a way that will be contrary to our own domestic economic interests. What would be the point of a fiscal union if, when it came to questions of legislation relating to the economy, the member states were not prepared to vote together? They will. When they do, and they outvote us, that will gravely undermine our competitiveness and our ability to grow small and medium-sized businesses. It will affect our growth. It will damage and destroy our prospects of reducing the deficit, because it will lead to a reduction in growth, which is already stagnant.

Mr John Redwood (Wokingham) (Con): Does my hon. Friend think that we should allow the fiscal union to go ahead, for those who wish to join it, if our Government negotiated for us independent democratic control over everything here that mattered to us as the price for making that sacrifice?

Mr Cash: The short answer is that it would depend on how the renegotiation went. If the renegotiation was entirely in line with protecting fully our own interests, if it were guaranteed that we were not tied to the existing arrangements by a treaty that drew us in to all the adverse consequences of being part of this overall European Union in the shape and form that it has at the moment and if we could manage to achieve the perfect answer, then that would be a good idea. However, I do not think that that is the way it is going to go. I think that we will put forward positions, if we ever get to the point of renegotiating the treaties. A meeting took place a couple of days ago in which it was clear that a very large number of MPs in the Conservative party want renegotiation. Some of us have been arguing for that for 20 years. However, the fact is that that is the position in the party as a whole. The question is not only whether we want to renegotiate, but how that would be done.

Mr Bernard Jenkin (Harwich and North Essex) (Con): My hon. Friend makes an important distinction. The Chancellor of the Exchequer seems to be suggesting that we would consent to a fiscal union provided that we were insulated in some way from the direct effects of that fiscal union. My right hon. Friend the Member for Wokingham (Mr Redwood) is saying something much more profound, which is that we should use this opportunity to recover control over a whole lot of policies that are already damaging the British economy, and continue to damage the British economy, whether there is a fiscal union or not. It is that latter position that has to be, ultimately, subject to a referendum, or the danger is that we will sell the pass on fiscal union and we will not recover very much.

Mr Cash: I agree with that entirely. My hon. Friend is very much in line with the views of many us on this side of the Chamber, which is that if this is going to be done, let it be done properly. Let us not nibble away at some of the minor matters. Let us get down to the real nub of the issue and say that this kind of Europe is not a

Europe with which we are prepared to continue. The status quo is completely untenable, and so a referendum question that dealt with those matters—including the question of fiscal union, because it will be so damaging, and I will give further examples of where I think it would be damaging in a moment—should be: do we want to leave the European Union all together; or, given that the status quo is untenable, do we want to renegotiate the treaties?

We now know that the bulk of the Conservative party, which, after all, is the bulk of the Government, wants renegotiation. The next question is, are we just going to nibble away and pretend that it is renegotiation, or are we going to get down to the structural questions and really do it? I believe very strongly that the Prime Minister has an obligation to go the next summit and to put forward proposals for renegotiating those treaties in a way that would actually change the entire system. If the other member states say, "No, we are not prepared to put up with that," then we will deal with that situation at that point in time. The case for a referendum in either event, to my mind, is completely unanswerable.

On the question of fiscal union itself and damage to the United Kingdom, I have already mentioned the problems that will arise in relation to the single market bloc voting arrangements. We are always being told that our trading relationship with the EU is vital to us, and that it represents approximately 50% of our trade. Some dispute that, but the reality is that it is a substantial proportion of our trade. However, if one actually looks at the net results of the so-called benefits of that trading relationship, I am bound to say that in the past year alone, between 2009 and 2010, our trade deficit with the European Union, the other 26 member states, has gone from minus £14 billion to minus £53 billion. The deficit has leapt up by £40 billion in one year.

Those figures are taken from the House of Commons Library and the Office for National Statistics, so I am not going to dispute them—others may wish to do so, but they are official figures. I have repeated them several times and no one has challenged me on them. That demonstrates that our trade with the rest of the European Union is not working. The reasons for that are over-regulation and a system of economic constraints that prevent us from allowing our small businesses to grow. After all, small businesses make up the greatest percentage, by a massive amount, of the prosperity of this country. The downside of our failure to grow is increasing unemployment. We heard the figures today. The truth is that we are not growing because we are trading with a Europe that is bankrupt, except for Germany.

There is also the question of the position vis-à-vis the City of London. The Minister and I have crossed swords on this from the very outset. When the de Larosière report came out—it was about four years ago, I think—I wrote letters to the *Financial Times*, several of which it published. I argued that we had to keep the City of London within the framework of our own legislation and not appease those in the European Union, such as those in France and elsewhere, who would like to take control over our City of London. The Government caved in, and now the whole City of London is within the jurisdiction of the European institutions and the rules and regulations that will be made there. Every single time there is a new problem in the City of London, we will have to ask ourselves to what extent it is the consequence of that fatal mistake.

Mr Redwood: Does my hon. Friend agree that the situation causes the electorate to believe that we have a dishonest political debate in this country? We are having a big argument over the Vickers report and how and when it should be implemented, whereas it will all be settled under the capital requirements directive, CRD IV. I do not see the point of the Vickers report.

Mr Cash: That is all part of the problem. I have been on the European Scrutiny Committee for 26 years now, and over and over again I have found that legislation brought to this House is based on European legislation, but that is never disclosed. People do not say, "Oh, by the way, we have got to do this, therefore we are going to," so we go through a charade of passing legislation as if we have control over it. The Whips move in like the clappers, saying, "You can't possibly vote against this, because it's all based on European legislation that we have already agreed to under the European Communities Act." In reality, we are being governed by Europe, and that is my greatest objection—plus the democratic question, which the hon. Member for Blackley and Broughton has mentioned—and why I got so exercised about the Maastricht treaty. We have gone beyond that now, and what we are faced with is much more critical, but we can remedy it if we renegotiate the treaties.

Mr Jenkin: Before my hon. Friend leaves those shocking trade figures too far behind him, do they not demonstrate another factor? Our European partners, notably Germany, have far more to lose by disrupting the trading relationships between us and the rest of the EU than us. I do not diminish the point that we want to maintain the free movement of goods within a customs union, if we can, but the idea that they simply will not talk to us or chuck us out is absolutely ludicrous.

Mr Cash: Given the growth the rates elsewhere in Europe and the complete mess that the eurocrats and other Governments—including our own—have created, allowing us to get into this parlous state, it is inconceivable that they would dare to argue that somehow or other they could operate without us. That suggestion is simply child's play and a joke, although it has got beyond a joke because it is so serious. That seriousness might come out this afternoon, but it will certainly come out—as night follows day—over the next few months.

I have been looking into the £53 billion trade deficit. I made some further inquiries, because I wanted a breakdown, and I was given the figures yesterday. In the trade balance of £53 billion against us, £17 billion is in vehicles—cars and lorries. In other words, we have destroyed or have had destroyed our manufacturing base in car making—my hon. Friend the Member for Luton North knows that better than me—and yet our trade in commercial and other vehicles is now on a monumentally adverse basis.

Another point that I am bound to make, which is deeply concerning, concerns the consequences of the departure of one or more states from the European Union, which some advocate. Some will have read Hans-Olaf Henkel in the *Financial Times* the other day. He is the former head of German industry, the equivalent of the director-general of the CBI, and he said that the "biggest professional mistake" of his life was to have supported the euro process, which is an important

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statement from someone of his standing. He is completely against the idea of the European Union as it now is. Germany has some very important voices, because it is effectively the paymaster for the rest of Europe.

Our negative trade balance with Germany is devastating. I was in Poland the other day, and I looked at its trade figures. I suspect that a lot of people in Poland desperately want to remain within the framework of some protective system but are deeply worried about the imbalance between Germany and Poland. And so it goes on—if we look at the Greek or Spanish situations and at the bottom line, what is happening with fiscal union is also, to use an expression, the creation of a greater Germany. For practical purposes, if we examine what is said at the various meetings, no one can be in any doubt that the Germans call the shots. The Germans are benefiting enormously from the European Union for one reason, which is that they are benefiting from their investment in other countries.

In that context, I have the figures for unit labour costs, if anyone is interested. In the past 10 years, German unit labour costs have gone up by only 2%. The average of all the other member states put together has unit labour costs increasing by no less than 25%. That is worth thinking about. Not only do we have the most monumental trade balance against us with Germany, but its trade balance with the rest of Europe is monumentally in its favour, and the Germans have done that largely through what we might call their skill or commercial nous. None the less, they have managed to do it and so they make huge profits from other parts of the European Union. Let us not be taken in by the argument that, somehow or other, Germany will suddenly go walkabout. The Germans get so much out of the European Union, and Angela Merkel is making it clear that they will continue to do so, and that is one of the reasons why Germany is so committed to political union. That does not mean, however, that it is in our interest.

George Eustice (Camborne and Redruth) (Con): My hon. Friend gets to the nub of the issue—whether it is realistic to expect the Germans to accept mutual liability with countries such as Greece, Spain and Portugal. It was different when they wanted to reunite Germany, and when West Germany was prepared to accept some of the liabilities of East Germany. Does he accept the difference, and that that is why going to full fiscal integration to prop up the euro is a very big decision for the Germans?

Mr Cash: I very much agree with that. I put that same point to the Prime Minister in the Liaison Committee last week. I asked him whether he seriously believed that Germany was going to be able to bail out the other member states. The money is simply not there. To imagine that Germany could carry the weight of the Spanish debt is, as Camilla Cavendish has said, complete cloud cuckoo land. We can see the Italian position getting increasingly out of control, while the Greek situation is beyond critical. Greece should exit the euro—that is perfectly clear—but there are desperate attempts to prevent it happening, although that is literally trying to do something impossible. One might as well believe, as Alice said in Wonderland,

"six impossible things before breakfast",

and the truth is that one of them is the idea that Germany will be able to sustain the whole of the European Union or, indeed, that its own people will allow that. All the evidence is that there is a very serious concern that they simply cannot afford to do it and that they do not want to do it. I will not give all the instances, because they are so well reported in the newspapers and other media.

Mr Richard Shepherd (Aldridge-Brownhills) (Con): One of the reasons that things have worked quite well for Germany is that, without the southern countries, the exchange rate of the euro would have been even higher. They therefore helped suppress the exchange rate in the free markets, to some extent; which has been of benefit to Germany.

Mr Cash: Absolutely right. Germany has gained much, but now the chickens are coming home to roost. The system is not working because the Germans have made investments in other countries. If we look at the Greek sovereign debt situation, an enormous amount of investment—by far the greatest amount—is from Germany, followed by France. So the sovereign debt question is now part of the overall problem of Europe as a whole, and the mess created, which many of us predicted, is now with us. Any sovereign debt default will become all the more serious the longer that the European Union attempts to sustain the euro. Economists such as Tim Congdon and others have made that case, but it is absolutely clear that the situation will get worse the longer that the European Union tries to put sticking plaster over what is a clear case for complete renegotiation of the treaties to get some sanity back into the situation.

The idea that those of us who are eurorealists and who have argued this case for so long would take any satisfaction from the fact that the situation might implode is complete rubbish. Of course we do not want it to implode; we want to get stability back, to reduce our deficit and to increase growth, but none of those things can happen if we have over-regulation, too much integration and too much governance from European institutions, which prevent oxygen reaching our small and medium-sized businesses. That is an issue not only for this country, but for other countries, which all face greater and greater unemployment. I therefore strongly urge the Prime Minister to sort this out at the next summit.

We cannot create growth unless the money to pay for the public sector comes from reasonable taxation on private enterprise. It must be reasonable taxation, because growth must come from the development of small and medium-sized businesses. There is no way we will reduce the deficit if we continue trading as we are with a Europe that is bankrupt, with the exception of Germany. Incidentally, while we had a £53 billion trade deficit with the EU in 2010—that went up by £40 billion in one year—we had a trade surplus with the rest of the world of £7 billion, and it could be much more if we made the big strategic change that I am proposing. That, too, underpins my resistance to the idea of fiscal union.

Fiscal union will lead to greater implosion, greater sovereign debt, more defaults and more trouble. It might also—I say this cautiously—lead to the rise of the far right, because that is the consequence of implosion in democracies and of their being forced into situations where their people start saying, "We're not going to put

up with this any more." One has to be careful about what is done. That is the dangerous crossroads we are at, and the Prime Minister must make the right call.

Mr Denis MacShane (Rotherham) (Lab): As I understand it, the Chancellor is rather keen on fiscal union. Does that mean that the hon. Gentleman opposes the Chancellor's point of view?

Mr Cash: The answer is yes. I did not say it so emphatically, but I said so when the Chancellor made his announcement in the House. I said that even Edward Heath would not have done what we were seeing now, so that probably sums the situation up quite well.

In my exchanges with the Prime Minister about fiscal union—I understand that these things can come out of the blue, but I wonder about the extent to which that was the case—he said:

> "Of course, it will have an effect on us, but the clear rule for a referendum...is whether we are transferring power from Britain to Brussels."

I do not agree that that is the basis for a referendum. It would be under the European Union Act 2011, but where a European decision, treaty or other legal instrument —in this case, there will be a mixture of those—applied on the face of it only to the eurozone, there would, under section 4, be no referendum.

That is why I have introduced a Bill saying we should have a referendum, and that Bill is supported by no less than six Select Committee Chairs, plus some distinguished Members, such as my right hon. Friend the Member for Wokingham (Mr Redwood), and members of the new intake who have taken a great interest in these matters. As I have said, the Bill has been presented, and the good news is that there will be a ten-minute rule Bill debate in October—the Leader of the House is here, and he knows that already. The Bill is intended to advance the case for a referendum on fiscal union.

In the Liaison Committee, the Prime Minister seemed pretty confident that there would not be a treaty. When I said that

> "you are implying that there might not be a treaty",

he said—this was on 6 September—

> "There is an important point on the issue of the treaty...Let us be clear: no one in Europe at the moment is currently talking about a new major treaty to put in place deeper fiscal union or changes in the eurozone. That may well happen in future...and if it were to happen, there would be consequences for Britain. Britain should think carefully about how to maximise our national interest".

My answer to that is, first, that we now know that there will be a treaty, because the Chancellor of the Exchequer announced it from Marseilles. Secondly, I do not see how Britain can maximise its national interests when the new treaty, by its very nature, will erode the heart of those vital national interests.

There will be consequences for Britain, which raises another issue. We know there will be a treaty. As Mr Barroso said this morning—the Prime Minister has said this, too—it will be dealt with through a mixed bag of measures. Part of the process will no doubt be dealt with through enhanced co-operation, although the legality of that is very questionable indeed, and the European Scrutiny Committee will certainly look at that. Part of the process may also be dealt with through European Council decisions and intergovernmentalism, if those involved can get away with it. However, the bottom line is that the policy and the judgment are wrong, and we should not promote them. The best thing that I can suggest, therefore, is that we go to the next summit, put down a clear marker and insist that we will refuse to accept the treaty for fiscal union.

Henry Smith: Would our position as a country not be further strengthened in the negotiations if other EU members knew that any decision would be subject to a referendum in this country? The worst time to make irreversible treaty changes is during a crisis.

Mr Cash: I could not agree more. That is why I am making the plea that we get ahead of the curve now, although it is almost too late. We should get ahead of the curve now, get things right now and make sure that the crisis that we are in is remedied in good time. We will then be able to make sure that we get things right. However, that will involve turning the current treaty arrangements into an association of nation states. It will mean abandoning the current concept of the institutions, directly in opposition to Mr Barroso's proposals today. The crisis is very great, but our ability to grow our economy and reduce the deficit—the very raison d'être of the coalition agreement, which said that that was the way to proceed—will be totally undermined unless the proposals that I have set out are pursued with vigour now.

Mrs Brooke, I am glad to have been able to make some of the arguments, and I hope that you will listen to the rest of the debate with pleasure.

Several hon. Members *rose—*

Annette Brooke (in the Chair): Order. Before we proceed, I should point out that I will call the Front-Bench spokesmen to begin the winding-up speeches at 3.40 pm. Quite a few Members are standing, so whether everyone gets in is in your hands, gentlemen.

3.18 pm

Kelvin Hopkins (Luton North) (Lab): I am grateful to have an opportunity to speak in the debate and to support the hon. Member for Stone (Mr Cash) in his concerns about fiscal union.

The issue has been raised because the eurozone is in deep trouble and is starting seriously to fall apart. A fiscal union would mean that one had substantial redistribution between the wealthy parts and the poor parts of an area. That would be acceptable in a democratic member state with a meaningful polity, but the European Union is not one. I suspect the German people would have something to say about such a proposal, if it ever went ahead. As we have seen, the German representative on the European Central Bank has already resigned because he knows that such a proposal will cause serious problems for Germany and is completely unacceptable.

I have something of track record on this issue. Thirty-two years ago, I did not think I would be speaking in such a debate. At that time, I wrote a brief for the general secretary of the union I worked for—the National and Local Government Officers Association. Economic policy was one of my areas, and I wrote a brief urging him to suggest to the TUC that we should not join the European monetary system, or the snake, which was a forerunner

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of the exchange rate mechanism and the single currency. He took my brief to the TUC, banged the table and demanded that the TUC take that line, which it did. The TUC then went along to see Denis Healey and banged the table, and he did not join the snake. I do not say it was all down to my brief, but at least I was on the same side, and we got the right answer. Unfortunately we joined the exchange rate mechanism a little later, and that was a mistake, but I could see the direction of travel then, and that it would be a disaster for both democracy and economics.

My hon. Friend the Member for Blackley and Broughton (Graham Stringer), who is no longer in his place, raised the question of democracy. It must have certain features: not just votes, but votes for people who will have power—Governments and representatives who can make decisions on voters' behalf, and make the votes meaningful. If the vote has no meaning at all—if it is just a declaration and power is held by other people—that is not a true democracy.

Another feature of democracy is the ability to change Governments, as we have just done. The change we made was not to my taste, but nevertheless that is democracy. The way to keep the far right, and extremists of all kinds, away is to have a meaningful democracy, in which Governments can be changed, and where they have power over the lives of the people they represent. If they have no power there is no point, which is when street politics takes over. We do not want street politics. The things that happened on the extreme right and left before the second world war made for a very unpleasant time, which led to the war. We do not want that to happen again.

Mr MacShane: Does my hon. Friend take comfort from the fact that the most dramatic rise of the far right has been in Sweden, while the most dramatic and horrible single incident associated with it was the terrible slaughter in Norway? There was also the anti-Muslim referendum in Switzerland on places of worship, sponsored by the hard-right nationalist SVP. Does my hon. Friend take comfort from all those countries either being outside the European Union or not using the euro?

Kelvin Hopkins: With the far right we need to look at each individual case; I think that in Norway it was just one lunatic—an obsessive. Of course the far right attracts people who I would suggest are not entirely sane. Nevertheless, the far right in general has not taken hold in post-war Europe because we have had meaningful democracies; but I think those meaningful democracies are starting to fade. Fiscal union would, again, mean democracy taking more of a back seat.

It is clear that the founding fathers and mothers of the European Union in the 1950s wanted a world in which electors did not have the power to change Governments; they wanted power safely in the hands of a stable body. That is why the Commission was set up—to make sure that we do not have distasteful changes of politics and Government. However, changes of Government mean that people believe in democracy and work for it. They know that they will have a chance of getting their party into power next time. I shall certainly work hard next time to make sure that our party comes back into power; and no doubt our Conservative and Liberal Democrat colleagues will do the same. That is why democracy means something: we know it matters because those elected have power, and because it is possible to change the Government. That cannot be done with the European Union.

We are in a European crisis. The hon. Member for Stone constantly refers to Europe, but I refer to the European Union. The European Union is not Europe: they are two concepts. Europe is a wonderful continent full of fabulous people and great culture, history, music, art, languages, and literature; but the European Union is a political construct imposed on some of the countries of Europe. I fully support the idea of a different kind of European Union—a loose association of democratic member states co-operating for mutual benefit. I do not support a bureaucratic and anti-democratic machine that controls our lives and makes our votes decreasingly meaningful at national level.

The polity over which a Government govern must also be meaningful. If national boundaries are dissolved, and other structures are imposed—especially if those are not democratically controlled—that is not democracy. The great thing about democracy is that it is accepted these days that it will govern a national state. I am an internationalist, but I think that internationalism is about good relations between states, not the abolition of states, national boundaries or national entities. We get on extremely well with other states around the world because we co-operate across national boundaries, but we do not want them to disappear completely. We have culture, language and history that unite us in particular polities. That is why Germany, for example, could unite its east and west and spend a vast amount of money rebuilding East Germany. It was accepted that it was part of Germany. I doubt whether it would have spent so much money rebuilding, say, Greece—because Greece is not part of Germany but a separate country.

I think that many people would be upset if the same kind of money that went into rebuilding East Germany went into helping Greece. Greece now has the opportunity to get out of the euro, recreate the drachma and devalue. Suddenly, Greece would become the cheapest place in Europe for people to holiday, and the tourist industry would take off like nobody's business. Greece would recover, because that is what it will be good at. It is a beautiful place, where people go on holiday. That is the logic for Greece.

The problem, of course, is that banks—and particularly French banks—have lent vast sums of money to Greece, and will be in trouble if that happens. However, as was said in a good discussion on "Newsnight" last night, either the euro will collapse and there will be a crisis with many people losing their money, or we will deconstruct the euro in a progressive and managed way, and some banks will have problems. Then Governments will have to step in and no doubt recapitalise those banks, if they choose to keep them alive. That is a difficult choice, but the logic is for countries that cannot sustain membership of the eurozone to get out, recreate their own currencies and devalue.

Ireland's major economic partner is Britain. The British isles is not a single economy, but we are close. The fact that we are not in the euro and have depreciated our currency substantially means that the poor Irish, who are stuck in the euro, are massively over-valued relative to Britain, and so have a trading problem with

Britain. I have suggested to Irish friends that they should recreate the punt, depreciate and rejoin the sterling zone, which is where they belong, instead of remaining in the eurozone, where they do not. I have not had any positive answer to that suggestion, but that is the logic of where we should be going.

I could speak for much longer, but others want to speak and I have probably said enough for the time being. I support the hon. Member for Stone in arguing the strong case against fiscal union.

Annette Brooke (in the Chair): After the next speech, by the hon. Member for Northampton South (Mr Binley), I would like to call the hon. Member for Witham (Priti Patel), and I know that there are others who want to speak. The winding-up speeches will begin at 3.40pm.

3.27 pm

Mr Brian Binley (Northampton South) (Con): I shall try to be brief and will therefore quickly congratulate my hon. Friend the Member for Stone (Mr Cash) on securing a debate of such importance. There is no doubt that the eurozone is contemplating its very existence, so the debate is not only timely but vital. The whole thing could blow up in our faces in the next four or five weeks, and I want to be assured by the Minister that contingency plans for that possibility are well established. I hope that he is not over-affected by what appears from the outside to be the culture of Treasury officials, who have not been over-helpful on this issue for a long time.

It is a truism that what has happened in the European Union in recent months will have profound consequences for the eurozone and a wider region, including Great Britain. It is unlikely that future efforts to provide protection for the failing currency will have any more success than those undertaken to date. The truth of the matter is that the euro is a failed currency and had within its creation the very traits for its destruction. Those are coming into view at a time when pressure is being applied.

The euro is in trouble not only for that reason, but because its membership does not understand what a properly conducted fiscal society means. I visited Greece three months ago and went to the Greek Parliament. I had to be smuggled in. I talked to a Greek politician and said, "Is tax evasion really widespread?" He said, "Of course." I said, "Who are the people who do it?" He said, "Everybody." I said, "Are you?" He said, "Yes." I said, "What are you doing?" He said, "I'm buying gold." What a story! Greek politicians are begging us to prop up their currency, yet they are getting out of it and buying gold. I hope that the Minister will take serious account of that.

We all know that Italy has deliberately—I shall use a kind word—misled people ever since the creation of the eurozone. Many would say that it lied—I would not say that in this place—about its situation. Many would say that other nations accepted Italy's deceit, and therein lies another problem. There is no proper monitoring or policing of any fiscal measures in any eurozone country. How can we expect those nations suddenly to become as white as white on the application of a united fiscal unit? Of course it will not work, and we know it.

We face two possible measures. The eurozone could shed nations—those to the south, mainly—that cannot compete with the price of the euro, and never could, or the eurozone could dissolve completely, which would be very expensive for this nation. What might the Minister do to protect business if that happens?

I accept the figures given by my hon. Friend the Member for Stone, but business is worried about the impact of the eurozone dissolving. It has had a tough time for three years, and has not been overly helped by Governments of either party in this country, and it certainly does not want another great deluge of problems. Will the Minister refer to business when he responds? This country must make a decision, and it might need to do so quickly.

Mr Andrew Smith (Oxford East) (Lab): I am following the debate carefully. The hon. Gentleman refers to the possibly cataclysmic effect on this country of dismemberment of the eurozone, or of some states leaving and contingency measures being required. Might that be precisely why the Prime Minister and the Chancellor have been arguing the case for fiscal union within the eurozone, and what does he think about that?

Mr Binley: That might be. I did not say "cataclysmic"; I said there would be problems for British business. I would be grateful if, when the right hon. Gentleman puts words into my mouth, he used the words I used.

Mr Smith: It is a serious problem.

Mr Binley: The problem is serious, and I simply want to hear what the Minister has to say about it, because we expect our Government to recognise the impact on business and to do something about it. But that does not mean being involved with or part of the creation of a fiscal Europe in the eurozone. That is not the way to go, and I would rather go the other way: free up British business and restore some of the ancient and traditional markets that we have neglected for some time.

Mr Nigel Dodds (Belfast North) (DUP): I have listened to the debate from the outset. The truth of the matter is that there is no pain-free option, and that whatever happens there will be difficulties, but to continue with the old, failed approach and carry it forward to fiscal unity would be an even greater disaster than the alternative. We must inject some common sense and democracy into the argument. That is the alternative that faces the British people.

Mr Binley: I am grateful to my right hon. Friend, and that leads me to my final words.

British business is important. We must help the eurozone to come to a sensible conclusion, but that does not include our being part of a fiscal union. We must help to ensure that we renegotiate a relationship with Europe that is much more sensible than we have had for a very long time. If necessary, we must come out. We face a tough time, whatever occurs, and we must use that time in the interests of Britain, not of the eurozone, which is the creator of its own downfall.

3.34 pm

Priti Patel (Witham) (Con): I shall be brief.

I congratulate my hon. Friend the Member for Stone (Mr Cash) on securing this debate and on all that he does on all matters European and their scrutiny in the

[Priti Patel]

House. This is a timely debate, and it is essential that all necessary steps are taken to protect hard-pressed British taxpayers from paying the costs of eurozone bail-outs, full stop, and to defend Britain from efforts to enforce closer fiscal integration in the wider EU.

Having campaigned for several years against Britain's entry into the euro, I strongly recall the arguments that monetary union in Europe would inevitably lead to fiscal union. We heard many of the arguments today. We now see Europe heading in that direction, and it is a road down which we should never be drawn. As we heard over the summer, the desire in Europe to move towards fiscal union has accelerated, and the eurozone crisis is being used to support ever-closer union and to further federalist ambitions.

The EU's Competition Commissioner said:

"This is one moment where we need greater integration...We need fiscal union".

As we have heard this afternoon, that is not the right way forward, and I support all the views I have heard. I appreciate that much of the talk about a fiscal union is concerned primarily with the 17 eurozone countries, but there would be dire consequences for Britain, and we have a role in the wider discussions of the implications, particularly with those countries that are trying to take the whole EU with them. We must stop that.

The Europe 2020 strategy, which my hon. Friend the Member for Stone touched on, has implications for our fiscal and economic policies, including scrutiny of national reform programmes, and for plans to increase the size of the EU budget. The European semester, for example, includes proposals for greater monitoring and peer review of our domestic budgets. Our pre-Budget report is being looked into, but it is only a matter of time before Europe tries to grasp more control of such matters, because it believes that interdependence within the EU requires tighter economic governance to apply to all member states, and not just to those in the eurozone.

I urge the Minister, politely but forcefully, to notify our European partners that any interference in our fiscal policy is unwelcome. We should not encourage that. I and many others have argued that Britain should not surrender any of its fiscal powers, but should instead use this and all opportunities presented by the prospect of any new treaty to repatriate powers to this country. That is the right way forward.

Finally, I reiterate the importance of cutting all costs relating to Europe. Over the lifetime of this Parliament, our contributions to Europe will increase by between £8 billion and £9 billion, which is unsustainable. Businesses and consumers in this country keep facing additional costs. We know the direction of travel for all matters financial in the EU. It is preventing the creation of jobs here, and action must be taken.

Hard-pressed taxpayers in my constituency and throughout Britain want cuts in the EU budget—and no more increases, not even the proposed 2% increase. We must just say no. We must defend the rebate, and if we tighten our belts at home Europe must get the message and tighten its belt. Such matters should be a priority for the Government in the months ahead and, importantly, now, while there is a eurozone crisis, but they are also an opportunity.

3.38 pm

Mr Bernard Jenkin (Harwich and North Essex) (Con): I invite the Minister to explain why the Government are now advocating fiscal union. We opposed the euro because we did not believe that fiscal union was viable. Lord Lawson graphically explained on BBC Radio 4 this morning that fiscal union will not work because it needs budgetary union and a European Treasury, which needs a European Government and a federal Europe. There is no popular support in any European state for a federal united states of Europe, so fiscal union is unsustainable.

This is no time for positioning or appeasing; it is a time for blunt truths, and I thoroughly endorse the comments of my hon. Friend the Member for Stone (Mr Cash) that it is time for us to go to Europe and to tell our European partners positively that we have an alternative plan for Europe, which is about the orderly break-up of the euro to limit liability. The longer the issue continues, the greater the liability will be.

It is like the ERM; the officials who are today advising the Minister to support fiscal union are the same officials who advised the Conservative Government to stay in the ERM. The longer we stayed in the ERM, the more damaging it was. Why are the Government on the wrong side of history?

3.40 pm

Mr David Hanson (Delyn) (Lab): It is a pleasure to serve under your chairmanship, Mrs Brooke.

I pay tribute to the hon. Member for Stone (Mr Cash), who is nothing if not consistent in his arguments. The holding of today's debate reminds me of the fact that I have been in the House for 19 and a half years and that the bags under my eyes started to appear when I was up all night listening to the hon. Gentleman in the debates on the Maastricht treaty in 1992 and 1993.

Mr Jenkin: Which way did you vote?

Mr Hanson: On many occasions I voted differently, because the purpose of the Opposition was to keep the Government on their toes and divided—as, indeed, we see today in the interactions between Back Benchers and the Minister.

I pay tribute to other Members who have spoken. The consistency of my hon. Friend the Member for Luton North (Kelvin Hopkins) is unparalleled, although his approach has differed from that of Labour Front Benchers. The hon. Members for Northampton South (Mr Binley) and for Witham (Priti Patel) hold strong convictions on this subject, which does not come as a surprise to hon. Members or to their constituents.

I confess that I feel like an onion in a strawberry patch, as I take a different view of the benefits of our relationship with Europe and with the European Community. I want the Government to engage positively, not within the potential framework of withdrawal—the tone that percolates through the comments of the hon. Member for Stone and his colleagues and of my hon. Friend the Member for Luton North—but in tackling deep and serious issues of economic policy, and ensuring growth, stability and fairness across the European Community.

As I said, I feel like an onion in a strawberry patch because I hold positive views about Europe and the European Community. Our EU membership gives British companies full and direct access to 500 million consumers —the single market that Governments of all parties have supported. The 3 million jobs in the United Kingdom—10% of the work force—linked directly to the export of goods and services to the EU exist partly because of the structures of the European Community.

Our EU membership makes the UK an attractive place for investment from Europe and creates stability for the emerging countries in the east, the growing markets. Furthermore, the EU brings democracy to countries that when I was first elected were still under dictatorships and were not the positive members of Europe that they are becoming today.

Dr Julian Lewis (New Forest East) (Con): I thank the right hon. Gentleman for giving way, but this really will not do. He is making a general defence of the European Union in a debate on fiscal union, and the fact remains, as many of us have argued for many years, that there cannot be a single currency without a single economy, there cannot be a single economy without a single Government and there cannot be a single Government without a single state. That is why the Eurofederalists want fiscal union, and regardless of whether it works or fails they say we should have more union. The reality is that it is failing and we must disentangle ourselves from this mess, not have a general debate on trade in the European Union.

Mr Hanson: If the hon. Gentleman allows me, I shall cover some of those points in a moment. It is important to record the fact that we have economic growth partly because of co-operation, because of the single market, because of the widening of the European Community to the east and because of EU investment in this country.

Mr Shepherd: I am sorry that the right hon. Gentleman has repeated the old canard about 3 million jobs, but perhaps he will comment on the other side of the equation. How many jobs on the European continent depend on trade with Britain?

Mr Hanson: I believe that the single market and the European Community have contributed to growth and jobs in this country and throughout mainland Europe. The hon. Member for Stone touched on the potential difficulties with the euro and Greece, Portugal, Spain and Italy, but the argument that he advanced about renegotiation does not fly and would not be a starter in relation to the positive policies that I hope I share with the Minister on engagement and the future of Europe.

We need to look at three issues. The economic growth strategy for Europe is key to economic growth as a whole. When we look at what we are doing in reducing public spending—in achieving a balance between public spending and private expenditure—we see that the growth strategy is missing in Europe and that the collective strategy of reducing public spending will not lead to economic growth.

Given the potential collapse of the euro, it is important that we look at the current stability mechanism, and I am sure that the Minister will speak about the future stability mechanism for 2015. We must consider negotiating an earlier end to the temporary European financial stability facility, of which the UK is a member. The UK's exposure is too high and is a risk, and if the euro collapsed now we would face severe difficulties with the funding mechanism.

My right hon. Friend the Member for Edinburgh South West (Mr Darling) negotiated the facility—with, I believe, all-party agreement, although there is dispute about that—before the general election, and it is key to stability with the euro. It is not in this country's interest for Greece to fail, for the euro to break up or for other countries to default. As my right hon. Friend the Member for Oxford East (Mr Smith) said in an intervention on the hon. Member for Northampton South, one of the reasons why the Prime Minister and the Chancellor are looking to develop an EU fiscal policy to follow the current agreement is to ensure that a collapse is avoided, that the currency is strengthened and that a positive Europe, geared to growth in the future, is maintained.

Mr Binley: Will the right hon. Gentleman explain how that policy might be policed to ensure that nations properly abide by its dictates and do not act as they do in many other instances with the other regulations imposed on them?

Mr Hanson: One of the hon. Gentleman's points that struck me most forcefully is that some countries do not play by the same rules as this country on tax evasion, tax avoidance and other issues, but that is not a reason to say that we should leave the pitch. It is our job to work responsibly within the structures of the European Community—with our Members of the European Parliament, with the European Commission and with national Parliaments—and to make the case for a single market, properly regulated, in which tax evasion and other issues are dealt with firmly.

We cannot walk off the pitch and withdraw from the European Community, although that is the ultimate aim of Members who have supported the hon. Member for Stone today. We must ensure that the replacement mechanism in 2015 is strong and stable but oriented solely on the eurozone, where the UK Government's liabilities are limited.

Honourable, determined and consistent though the hon. Member for Stone is, and difficult though the challenges are in relation to countries, such as Greece, that should not have joined the euro in the first place, the failure of the currency and our failure to act to help to maintain stability in Europe would ultimately lead to lower growth, further unemployment and the UK being distanced from potentially successful markets.

There are many issues ahead of us about which there is clear disagreement between Labour Front Benchers and Members who have supported the hon. Member for Stone today, but I look forward to hearing the Minister's response.

3.49 pm

The Financial Secretary to the Treasury (Mr Mark Hoban): First, I congratulate my hon. Friend the Member for Stone (Mr Cash) on securing the debate. I do not think that anything he said came as a surprise to any of us who have taken part in discussions on this issue in this Chamber, in the main Chamber or in European Standing Committees—he has the merit of consistency.

[Mr Mark Hoban]

There were helpful contributions from the hon. Member for Luton North (Kelvin Hopkins), from my hon. Friends the Members for Northampton South (Mr Binley), for Witham (Priti Patel) and for Harwich and North Essex (Mr Jenkin) and from the right hon. Member for Delyn (Mr Hanson). Let me deal with a couple of specific points that were raised. My hon. Friend the Member for Stone raised the question of a financial transactions tax. He is aware that President Sarkozy and Chancellor Merkel discussed that at their summit in August. Let me be clear about the UK Government's view on a transactions tax. It would work only if applied globally. If it were applied any less completely than that, the transactions would simply move away. Business that was previously booked in, say, France would move to the UK, Singapore or New York.

Mr Cash: Will the Minister give way?

Mr Hoban: No. My hon. Friend—*[Interruption.]* May I continue? My hon. Friend spoke for nearly an hour; I have 10 minutes and want to cover a wide range of topics.

The UK would not agree to the introduction of any financial transaction tax that damaged competitiveness and growth and, in the absence of a global agreement, the UK sees no evidence that a transaction tax would maintain EU competitiveness. Of course, that does not prevent other countries from introducing a transaction tax if they wish to do so.

My hon. Friend is quite keen to ensure, given his legal background, that words are used carefully. I think that he said that my right hon. Friend the Chancellor of the Exchequer had said that there would be a new treaty. Let me give the quote, so that we do not set any hares running. The Chancellor said in Marseilles this weekend:

"I think it is on the cards that a treaty change may be proposed."

That is a very conditional statement. It is not saying that there will be a treaty. Before we let the argument run away with itself, I point out that there is no proposal at the moment for a treaty.

My hon. Friend the Member for Northampton South asked whether the Treasury was monitoring the situation in the eurozone. Yes, it is. We are working closely with the Financial Services Authority and the Bank of England to monitor what is happening in the eurozone and to understand its potential impact on the UK economy and banking system. We take that particularly seriously because of the interconnection between financial markets and our economy.

Let me be clear: the responsibility for sorting out the problems of the euro area ultimately rests with the euro area Governments. We are not members of the euro and will not join it in the lifetime of this Parliament. Being outside the euro area has clearly given us the flexibility to adapt our fiscal and economic policy to manage the crisis. It is not our responsibility to deal with their problems.

However, no one should be under any misapprehension about the importance of the euro area to the UK economy—a point that my hon. Friend the Member for Northampton South made very powerfully. A strong euro area means a growing market for our goods and services; a weak euro area puts at risk jobs and businesses in our constituencies. We should not lose sight of that. A weak euro area is not in our interest: it puts jobs and businesses at risk. More than 40% of our exports go to the euro area. Hon. Members will know that we export more goods and services to Ireland than we do to Brazil, Russia, India and China combined. No one should be under any illusions about the importance of the euro area to our continued success. Britain wants a successful euro area that can deliver growth and stability, so we want the euro area to have the rules that it needs to prevent future crises.

Mr Jenkin: Will my hon. Friend give way?

Mr Hoban: No. I am sorry, but I am going to continue. As the Chancellor has said, the eurozone must accept the remorseless logic that leads from monetary union to fiscal union. That is why Conservative Members have consistently opposed joining the euro—we recognise that fundamental link. There can be a successful single currency only if there is a fiscal policy to back it up. We are seeing in the current crisis the consequences of not having that link between monetary policy and fiscal policy in the eurozone. Recognising that remorseless logic, we cannot stand in the way of closer fiscal integration in the eurozone. Clearly, our status—

Mr Jenkin: Will my hon. Friend give way?

Mr Hoban: Let me just finish the point. Clearly, our status as a euro-"out" has implications for our influence over the outcome of the discussions. None the less, we should be engaged in the debate on closer fiscal integration. It is very much in our interest to have a say in the design of any new structures or processes that may be required.

Mr Jenkin: Precisely because our economic interests are so intertwined with our European partners, my hon. Friend is making the case for our having a clear position to ameliorate the crisis that is developing in relation to the euro. To light on one little piece of remorseless logic, which is that there cannot be a currency union without a fiscal union, but then abandon logic on every other part of his argument is not remorseless logic; it is putting his head in the sand. Does he actually think that a fiscal union can work?

Mr Hoban: I think that there is a great deal of work to be done on this and that it is my hon. Friend who is putting his head in the sand. We need a successful euro area if we are to protect jobs and businesses in this country. We can see some of the impact on the economy today as a consequence of the uncertainty in the eurozone. We have seen the impact in the form of growth in France and Germany being below the rate of growth in the UK in the second quarter. These issues have an immediate impact on what happens in our constituencies and businesses. We need to ensure that the eurozone is successful if we are to continue to have a successful economy.

Dr Julian Lewis: Will the Minister give way?

Mr Hoban: No, I am going to continue. *[Interruption.]* No, I have four minutes left and there are more things that I need to say. My hon. Friend would have had a chance to speak earlier if there had been a more even division of time.

The situation in the euro area remains one of great concern. Market tensions have persisted since the euro area summit of 21 July. The European Central Bank's purchase of an additional €70 billion of euro area bonds since early August has been accompanied by an alleviation of some of those tensions, but Greek 10-year bond yields are at a new high of about 20% and Italian and Spanish 10-year bond yields remain high. Commitments were made at the summit of 21 July to enhance the scope and flexibility of the European financial stability facility, to lengthen the maturity of euro area loans and to lower interest rates. Those commitments must be implemented in full. Euro area countries need to get ahead of the curve and move towards a more permanent, comprehensive solution to the ongoing crisis.

Several further proposals for greater fiscal integration in the eurozone have been put forward, most notably by President Sarkozy and Chancellor Merkel following their summit of 16 August. There will be further debate about that, but let me be clear: nothing in the agreement of 21 July or in the current proposals put forward by Chancellor Merkel and President Sarkozy requires a treaty change or a transfer of powers from the UK to the EU. That is the state of play at the moment, but it is clearly not possible to say where the debate on fiscal integration may end up.

As the Chancellor has already told the House, more radical proposals should be considered as part of a permanent solution for the euro area, including measures such as euro bonds or other forms of guarantee. However—this goes back to the point made by my hon. Friend the Member for Northampton South—any move in that direction needs to be matched by more effective economic governance in the euro area to ensure that fiscal responsibility is hard-wired into the system. I am pleased that he recognised the need for those monitoring controls to be in place.

Although euro bonds or other guarantees could be designed in a number of ways, it is possible that such a proposal would require a treaty change. If that were to happen, the Government would act to protect the UK's national interest, as we did last December when leaders agreed to amend the treaty to allow the creation of the new, permanent crisis resolution mechanism. As my right hon. Friend the Prime Minister said when he appeared before the Liaison Committee last week, we will take that opportunity seriously. He said that

"when there is a treaty change, you have an opportunity to put forward what you want in your country's national interest. I have done that once already, and I would do it again in the future."

He also said:

"Britain should think carefully about how to maximise our national interest if that"—

treaty change—

"were to come about, but I think that it is some way down the road."

We need to ensure that there is a strong eurozone and, as hon. Members said, a clear growth agenda in the EU. The current position is one of the barriers to those countries digging themselves out of the recession. However, we should not underestimate the value of the European Union to this country. It adds £600 billion a year to the economy. Further liberalisation could add a further £800 billion to the value of the economy. We need to ensure that we get this right. It is in our national interest to get it right, and we will work to ensure that we do so.

Waste Water (Thames and Greater London)

3.59 pm

Simon Hughes (Bermondsey and Old Southwark) (LD): We are moving to slightly calmer waters as we change from a debate on European Union fiscal union to one on waste water in the Thames and Greater London. I am grateful to the Minister for his and his Department's regular interest in these matters.

On Monday this week, David Walliams—he is probably more famous than many of those elected to Parliament—ended his swim from Gloucestershire to Westminster bridge. On the same day, Boris Johnson, the Mayor of London, wrote an article in *The Daily Telegraph* entitled "David Walliams's Thames swim: it will take a super-sewer to get London out of this mess". He was referring to the fact that London has a looming waste water crisis.

We have a fantastic piece of engineering in this great city of ours. Our sewer system was designed by Sir Joseph Bazalgette in the wake of what was known as the great stink of 1858. The purpose was to stop the sewage backing up into homes and streets whenever the system overflowed. It was connected to the Thames, so that excesses of waste water and sewage emptied into the river. That system was designed for a city of 4 million people. The city's population is now approaching 8 million, and before too long it will be a conglomeration of nearer 9 million people. It is obvious to everyone that, with the best will in the world, the present system will not be sustainable. Thames Water is responsible for the system, the company is overseen by Ofwat, and the regulator is accountable to the Department for Environment, Food and Rural Affairs.

For some years a proposal has been on the table to build a Thames tunnel. It was the subject of consideration by the previous Government, and the scheme has been handed on to the present Government. In principle, Labour Ministers gave their blessing to a tunnel scheme; the alternative was a softer environmental mix of things, including a hope that rain water could be collected, and that there would be a more personalised collection with less sewage and so on.

The amount of sewage currently discharged into the Thames is one of many dramatic figures. That is not sewage taken to the waste disposal plants but the excess of sewage that ends up in the river. It is 39 million cubic metres a year. That may not mean much to most people, engineers apart, but it is equivalent to filling the Royal Albert hall 450 times. That is a lot of sewage. It is clearly something that nobody would wish to be in our capital city's river.

Last weekend, I had the privilege of chairing the hugely successful Thames festival for the 10th time. The Mayor of London's Thames festival is a reincarnation of the GLC festival, which started 15 years ago. It is held to celebrate the river, and getting on for 1 million people were there this weekend. We want the river to continue to be celebrated. We want it to be clean. We want it to be accessible, and we want people to be able to use its beaches. We want it to be used for commerce and tourism and related activities. We want to see more natural life in the river, including fish such as porpoises and dolphins. We also want to see David Walliams or the Mayor of London swimming in it—or even the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), whose constituency is opposite mine on the north bank of the river, and me. I was once thrown in; it was not a pleasant experience, but that was soon after I was first elected 28 years ago.

I bring the matter to the House today because, in part, it is already on the Minister's desk. Indeed, the Minister will be aware that in November last year, perfectly properly, the Government published the national policy statement for waste water. On 30 March 2011, the Select Committee on Environment, Food and Rural Affairs published its report. It makes 19 recommendations. In essence, the Committee would like to see the draft national policy statement amended. As the Minister knows, some of the Committee's recommendations relate specifically to Thames matters. I shall put recommendations 9 and 14 on the record, but I shall leave colleagues and others to read the other conclusions later.

Recommendation 9 states:

"Approval of the costs which can be passed on to water and sewerage company customers is rightfully a core Ofwat function under its current regulatory remit and it is hard to see the benefits to be gained from duplicating this activity within the spatial planning process. In view of the alarming increases in estimated costs, Ofwat must fully utilise its regulatory powers to scrutinise the economic case for the Thames Tunnel project and be rigorous in determining which costs should be passed on to Thames Water's customers."

Amen to that. Water bills are high enough and the project will not be cheap, so people will want to ensure the best cost benefit.

Recommendation 14 states:

"We recommend that the draft NPS be revised to produce a purely generic document by removing Chapters 3 and 4 on the replacement of the Deephams Sewage Treatment Works and the Thames Tunnel. Defra may wish to provide material in an annex exemplifying points made in the NPS by reference to specific schemes, but it should be made clear that it does not constitute information to which decision makers must have regard when considering project applications."

Those are the only two Thames-specific recommendations. The others are about the process.

I shall briefly put things into context and then pose my questions. I apologise that I gave the Minister notice of my questions only recently, but they are all matters for his Department. However, I shall understand if he needs to come back on some matters. The European Union agreed in 1991 that there should be one system across Europe. Again, following the previous debate, one of the good things that has come out of the EU is that it is setting standards on such things as air and water quality. Bluntly, London has failed on both water and air. On water, the UK is on the way to being taken to court by the Commission. We are also at risk of being liable for poor air quality in London. The EU is the right place to chase such things and to ensure better quality. The Thames tunnel project was intended to ensure that we comply with statutory EU requirements. However, we have been held to be in breach of the directive, which is why the matter is going to the European Court of Justice. Judgment is expected next year.

Secondly, the Government have been consulting on secondary legislation to be made under the Planning Act 2008 that would classify proposed major sewer projects such as the Thames tunnel as nationally significant infrastructure projects. The consultation closes on 5 October. The project would go to the independent Infrastructure

Planning Commission. My colleagues and I and Conservative Members did not want that body to be independent, but when the Localism Bill becomes law it will become accountable to the Government, and the Secretary of State will be accountable to Parliament, which I welcome.

The last bit of the jigsaw is that Ministers are considering the draft national policy statement in light of the consultation responses generally, and the Select Committee's responses in particular. We will have a final statement before too long. A waste water policy statement is coming down the track, and there will be changes to the planning law. There is also Thames Water's plan; the company has received responses to its consultation and it will almost certainly published a revised plan in November.

Like every riverside MP, but more than most, my constituency is very much on Thames Water's map. When the company announced its plans at the turn of the year, it featured two sites in Bermondsey. It considered Druid street, which would connect the local combined sewer overflow, known as Shad Thames pumping station, to the main tunnel. It also considered the foreshore near Butler's wharf and the car park at the flats in Tower Bridge road. It decided that Druid street was the preferred site. However, there was concern about that as it was the site of a children's playground on a council estate and not the greatest of sites. I hope that Thames Water will respond positively to those views and go ahead using the Shad Thames pumping station and not the Druid street site.

By far the most controversial plan is to use the King's Stairs gardens as the main drilling site for south London. Some 5,274 people have signed a petition against it, and a considerable number of other people, including me, have said that it is not a good plan because it is a greenfield site and on the Thames Path.

Thames Water has responded positively to such views. It has always engaged well with the community. I pay tribute to the Save the King's Stairs Gardens action group and to its chair Donna Spedding. The group made a substantive case about the use of greenfield sites as opposed to brownfield sites and put forward good technical arguments.

As a result, Thames Water has now co-purchased Chambers wharf, a brownfield site slightly further upstream. As of this moment, there are two sites in the frame. Obviously, the Rotherhithe community hopes that the King's Stairs gardens site will come off the list as it is inappropriate. We do not know where the other sites will now be—whether it is in Southwark, Deptford or further downstream.

Mr Andy Slaughter (Hammersmith) (Lab): The hon. Gentleman correctly identified two problems with the scheme. One is the choice of site and the other, as with all infrastructure projects, is the cost. As constituency Members, we will all have issues and will have to negotiate with Thames Water. Like the hon. Gentleman, I have found Thames Water to be a reasonable organisation with which to negotiate. Can we try to disaggregate this matter from the project as a whole? My local authority, which is implacably opposed to the scheme, is using those legitimate objections to object to the whole scheme. I hope that we can have a three-party endorsement today of the fact that we have to clear up the Thames. David Walliams has focused our attention on that. Every single week, my constituents see huge amounts of raw sewage going into the Thames, near to where they live. Let us try to identify and solve the problems so that we can support a scheme that really has to be carried through.

Simon Hughes: The current estimate for the Thames tunnel scheme is pretty enormous. It is £3.6 billion and is likely to go up rather than down. Thames Water says that the alternative would cost £13 billion and take 30 years. When I responded to the consultation, I said that the evidence seemed to be in favour of the Thames Water plan, subject to getting the sites right, but I wanted final reassurance. I made my response formally at the turn of the year.

I also put in a short response to the private commission that was set up by some interested local authorities and chaired by Lord Selborne. The commission has argued that we must have a totally different direction. I am not persuaded by that. The Thames tunnel is the best direction. The previous Government came to that view and the present Government have held to it. Unless something comes up in the latest process, we need to go ahead with the Thames tunnel scheme, but the site must be right. My experience is that engineers are reasonable people who will look at a better option if it is put to them. They are also quite flexible. The private commission is having its hearings and it is about to produce its report. I hope, therefore, that we can arrive at a common position.

My questions to the Minister are partly procedural as well as substantive. Will the Government respond specifically to all the recommendations in the Select Committee report? If they cannot do it now, when will they do it? If the concerns that have been expressed by colleagues across the House and in the Select Committee are taken into account, will the Minister accept that that will lead to a change in the draft policy statement?

Will the Department delay bringing the debate on the policy to the House until the Localism Bill has been enacted and implemented and the Infrastructure Planning Commission has been set up? I want to ensure that if the Thames tunnel is subject to an overarching planning approval, the decision is a democratically accountable one. Will the Minister give us the earliest date when Parliament might be able to have the national policy statement back? When the policy comes back, can he assure us that there will be a debate on the Floor of each House so that colleagues in London and the whole of the Thames estuary can make a contribution to the debate? This is a big debate and we want to ensure that it is given adequate time and that it is not something that is pushed through on the nod or in half an hour.

It is clearly logical to have one overarching planning approval for the scheme, but if there are any sites on which there is a significant building there should be extra planning processes to ensure that everything is done in the right way. For example, if the King's Stairs gardens site or the wharf site in Bermondsey are chosen, people will want to know that the new building will not be too tall, too big, too wide or too ugly and they will also want to have their say. The subsidiary buildings should not be rubber-stamped through either. Will the Minister pass on that concern to his colleagues in the Department for Communities and Local Government?

[Simon Hughes]

We want an extra consultation process about the detail or extra planning requirement.

Whatever our views about the Selborne commission, will the Minister tell us that the Department will consider the report and respond to it before the final draft of the national policy statement is published? Will he give us the Government's final assessment of the cost of the project and will he give us an assurance that council tax payers, local councils and the Government will not have to pick up the tab? Obviously, people understand that this is a Thames Water project and that it will not be cheap. People will want to know not just what the cost is overall but that their bills will not go up in other places as well. It would be helpful if the Minister could show us the departmental cost-benefit analysis.

Will the Minister tell us whether there is any compensation available to people whose land, properties or amenities are affected? If they suddenly have a great treatment works or a shaft put in front of their window for seven years, what compensation will they receive? If Thames Water identifies new sites, people in my constituency and elsewhere would be grateful if the sites that are no longer in the firing line or are no longer being considered are dropped off the list so that they know they are no longer under threat.

I end by paying tribute not just to the Save the King's Stairs Gardens group but the Save Your Riverside group. All these people are highly intelligent and reasonable in what they are asking for and I hope that I have reflected that here. This is a huge issue for many of our constituencies in London and we would be grateful for as much information about the scheme as the Minister can share with us.

4.19 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): Thank you, Mrs Brooke, for calling me to speak. I am very grateful to you for your chairmanship of our proceedings this afternoon. I congratulate my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) on raising this important issue at a crucial time for this project.

I do not know any elected person from any political party who could possibly approach this project in any way that was not sceptical. We are talking about a huge sum of money, but we are also talking about a huge problem. Consequently, it is right that we rigorously check, first, that undertaking this project is the right thing to do and, secondly, that the alternatives are simply not good enough to deal with what we know is a very serious problem.

I approach this project from that perspective, and I also approach it as a constituency MP, whose constituents are paying Thames Water's bills in the most westerly point of the Thames Water area. As is the case with many MPs in the Thames Water area, my constituents will ask me whether this project is good value for money and what it aims to achieve. I understand the concerns that have been expressed, and I respect the debate and the spirit in which the right hon. Gentleman introduced it.

We know that we face a very serious problem. It is not only a legal problem, although it is important that we respond to the European Commission's concerns and its belief that we are not complying with the urban waste water treatment directive—we will vigorously defend ourselves against that claim. Nobody who has anything to do with the River Thames can deny that we face a problem now and that if our generation of politicians does not take action, we will leave the next generation with a possibly devastating impact on an iconic—that is a rather overused word, but it is appropriate here—river that runs through one of the most important capital cities in the world.

Therefore, the Government are taking a similar view to that of the previous Government, in that we believe that it is important that this project goes ahead and that the tunnel option is the right one. We are open about our reasons for that. I have the highest respect for Lord Selborne. He is an extraordinarily able parliamentarian and he has experience of a wide range of scientific and environmental issues. My Department is taking his commission and its inquiry seriously. We have contributed to that process, and we will certainly look at what his commission says. We want to be as open as possible, and we also want to try to make people who are sceptical about our proposal understand how we have arrived at this point, sharing with them as much information as we can.

It takes as little as 2 mm of sudden rainfall to trigger an overflow into the Thames of untreated waste water from a combined sewer. Currently, around 39 million cubic metres of waste water enter the Thames every year from London's combined sewer overflows when storm water capacity is exceeded. That is enough to fill the Royal Albert hall 450 times. I have tried to get that image out of my head, but failed.

Those discharges occur around 50 to 60 times a year, and they have a significant environmental impact on the Thames. The drought ended in June. That was just after the Department for Environment, Food and Rural called the drought summit—the two events may have been linked—and at that time there was a combined sewage overflow spill that resulted in an appallingly large number of fish being killed. It is the habitat and environment of the river that we are concerned about. I am sure that hon. Members from all parties know that those discharges increase the likelihood of aquatic wildlife being killed and create a higher health hazard than we can imagine for people using, enjoying or living near the river. Therefore we must take action. Nobody has more respect than me for David Walliams for his extraordinary achievement, but it brought to our attention the fact that he had to take antibiotics to protect himself in case he fell ill because of the condition of the Thames, as so many other people already have.

In the few minutes that I have left, I will try to respond as quickly as I can to the specific points that my right hon. Friend made. I received a copy of them as I walked into Westminster Hall this afternoon, because I came straight from another event.

My right hon. Friend asked what the Government's response is to the recommendations of the Environment, Food and Rural Affairs Committee report of 30 March. I can assure him that we will respond to that report in full in a few weeks' time, and I will ensure that he is apprised of that response.

My right hon. Friend also asked whether my Department will hold off on the publication of the revised national

policy statement until the relevant part of the Localism Bill has been implemented. We are going through this process without prejudging what Parliament will do, on the basis that the Localism Bill as it currently stands will receive Royal Assent. It is really important that we understand that the Localism Bill will bring that crucial element of democratic accountability, and I am grateful to him for raising that point.

Parliament will consider the NPS by the end of this year. My right hon. Friend asked me whether I can confirm that there will be a debate about the NPS on the Floor of the House and, if so, whether the motion will be amendable. The NPS will be laid before Parliament for 21 days, and it is in his gift and that of any other right hon. or hon. Member to request a debate on it. I would welcome such a debate, which would be an opportunity to set out our reasons for supporting this project.

My right hon. Friend asked whether significant consequential buildings will be the subject of local planning processes. I think that he is concerned about the NPS and the planning processes being dealt with all in one when there might be specific issues in right hon. and hon. Members' constituencies about legitimate local planning concerns. My understanding is that those cases would undergo application for development consent. I will write to him and make it absolutely clear what we are saying here, because I know that this is a matter of particular importance to right hon. and hon. Members.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): Will the Minister be so kind as to include in that correspondence the other hon. Members who are here in Westminster Hall for this debate and who are interested in that particular issue?

Richard Benyon: I put it on the record that I will copy that correspondence to the hon. Members for Poplar and Limehouse (Jim Fitzpatrick) and for Hammersmith (Mr Slaughter), who are present in Westminster Hall for this debate.

The Thames tunnel commission has been established. As I have already said, we are providing evidence to it and we will look at what it produces. My right hon. Friend the Member for Bermondsey and Old Southwark asked about the cost of the Thames tunnel project. Obviously, that is of huge concern to everybody who pays water bills in the Thames Water area. The current estimates for the costs are being reviewed on a regular basis, as he would expect them to be. As is the case with any cost assessment, there are assumptions in those assessments, including assumptions about construction costs and the financing of the operation. I assure him that Thames Water is building a very large contingency element into its costs analysis. Along with Thames Water, we are being extremely rigorous in ensuring that all risks are being considered and that—without being Rumsfeldian—all the unknowns that we know about are assessed, to see whether we can know more than we currently do.

The most important point, however, is that there must be a credible package to put, first, to water-charge payers and, secondly, to put to investors. Without that credible package and without Government support for the project, I do not believe that we can go ahead with the scheme. As I have said, it is extremely important that there is a credible package. An impact assessment from 2007 of cost-benefit analysis is being updated, and we will make the updated version public.

My right hon. Friend asked what the rules are regarding compensation when people's land and amenities are affected by this scheme. If he will allow me, I will include a fuller answer to that in my letter to him.

My right hon. Friend's last question related to issues about the sites at King's Stairs gardens and Chamber's wharf. That is a very important question and there are other sites that other hon. Members have already raised with me and will continue to do so. I confirm to my right hon. Friend that those issues are planning issues and therefore that it is for Thames Water to take them forward. However, we are looking very closely at them and we will liaise with him and others if we feel that there is a role for Government to influence the process. We want to ensure that this enormous scheme—both its construction and its eventual operation—has as little impact as possible on his constituents and others in the Thames area.

I cannot give a fuller reply than that, but I assure my right hon. Friend that I will continue to liaise with him and other London Members, particularly riverside Members, as well as with any other hon. Members who represent constituencies in the Thames Water area, to ensure that we are working together, first, to make the value of this project understood and, secondly, to make it a success for future generations.

Consumer Focus Wales

4.30 pm

Mr Mark Williams (Ceredigion) (LD): It is a particular pleasure to serve under your chairmanship this afternoon, Mrs Brooke. I am grateful for the opportunity to once again put forward the concerns of the Welsh consumer sector to the Under-Secretary of State for Business, Innovation and Skills, my hon. Friend the Member for Kingston and Surbiton (Mr Davey). He was good enough to meet representatives from Consumer Focus Wales and my hon. Friend the Member for Brecon and Radnorshire (Roger Williams) a few weeks ago. I was grateful for that meeting, and I am grateful to have the opportunity to present to him what are perhaps some familiar arguments.

Consumer Focus was set up by the Consumers, Estate Agents and Redress Act 2007 and it has a federal structure, with autonomous bodies in each of the devolved nations. The bodies collaborate, but each leads on projects of its own, particularly where there are differences due to devolution. Consumer Focus Wales has done some outstanding work on a number of issues of concern to my constituents. It has worked very closely with trading standards departments on the major concern of private car parking, including with Lawrence Martin from Ceredigion trading standards, to try to eradicate the shady practices that sadly have gone on in the pursuit of private parking offences. I understand that one private operator in Ceredigion has been the cause of the most trade complaints in the area for many years. A year ago, Consumer Focus Wales put out a call for evidence to consumers and received numerous complaints about private car park operators. The complaints included instances of operators misleading consumers about the nature of charges, operators and debt recovery agents using threats to secure payment, charges that bear no relation to the loss sustained by the operator or landowner, ease of access to keeper details registered with the Driver and Vehicle Licensing Agency, errors in charging and the lack of an independent appeals process. I also, as a constituency MP, have received a number of complaints, and there has been interest in the local press. I cite that as just one pertinent example in my constituency.

Consumer Focus Wales has carried out crucial research as part of its work, thanks to which we know that 200,000 people in Wales do not have access to a bank account, 206,000 homes in Wales are off the mains gas network and half of prepayment meter households self-ration their energy. That research has given us additional insight into the problems faced in Welsh communities, particularly rural ones. I am very glad that my hon. Friend the Member for Cardiff North (Jonathan Evans) is here this afternoon. We do not know whether the new model will allow for such unique Welsh research to be carried out to the same extent, advancing Welsh issues in a Welsh context.

The work that Consumer Focus has done on post offices, digital inclusion, fuel poverty and financial services has been very important in raising the issues and in proposing practical solutions to some of the concerns. A major piece of work for Consumer Focus Wales this year has been an investigation into park homes, which is an issue close to many of my constituents' hearts. Many of the issues involved, particularly licensing by local authorities and planning, are devolved, so that is an excellent demonstration of why we need a Welsh perspective.

Perhaps the most important work that the organisation has done—literally a matter of life and death—has been its investigation into E. coli and food safety. All members of the Public Bodies Bill Committee have received as written evidence a letter from Sharon Mills, who tragically lost her son as a result of the 2005 E. coli outbreak. Consumer Focus Wales has taken up the matter, raising some serious concerns about food safety, and changes have been implemented as a result, such as the Welsh Government agreeing to introduce the mandatory display of food hygiene ratings by all food businesses, and encouraging the Food Standards Agency to clarify the law on the separation of raw and cooked food. Just this month a food safety map of Welsh schools was released, which highlighted the ones that had failed to make the grade. For the record, it is worth quoting a paragraph from Mrs Mills's letter:

> "If it wasn't for Consumer Focus Wales the profile of food safety would not have been raised over the past two years, significant advancements in implementing these recommendations wouldn't have been made or reported and most importantly myself and other families would continue to be in the dark about what action was being taken to ensure no other family has to go through what we have been through."

Jonathan Evans (Cardiff North) (Con): As a former consumer affairs Minister, I acknowledge the difficulty that there was during my time in office in getting a coherent and relevant representation of consumer viewpoints, which was a key Government objective. It is universally recognised that Consumer Focus Wales has managed to achieve that objective and, therefore, within the context of the reforms that are being considered, I wonder if my hon. Friend would not think it appropriate for the responsibility for Consumer Focus Wales to be devolved to the National Assembly for Wales, so that we can at least retain within our area an organisation that is universally admired across the political spectrum.

Mr Williams: I am very grateful to my hon. Friend for making that point; he pre-empts the second half of my speech. The central message on which I agree with him is the need to secure a holistic body of information, with those isolated cases with which we as constituency MPs often deal put into the much broader context. That has been the great strength of Consumer Focus, and Consumer Focus Wales.

I wanted to set out the work that Consumer Focus Wales has done, because I do not want anyone to be under the illusion that it is not a relevant or useful body. I certainly do not believe that the Government take the view that the work done by Consumer Focus is not valuable; the Minister has said that that is not the case in our discussions. The organisation's work is recognised, because the Government propose to transfer its functions into another, albeit in my view inadequate, model. The Government's intention to reduce the cost is understandable, and I sincerely hope that they are able to deliver a service for consumers at a lower cost, but these functions are vital—they make a real difference to people's lives.

The Government are now consulting on their approach to consumers, while the legislation that will allow them to abolish Consumer Focus makes its way through the Commons—the hon. Member for Clwyd South (Susan Elan Jones), who is here, will recollect yesterday's brief

discussion in the Public Bodies Bill Committee on the role of Consumer Focus. The consultation had not, however, even been launched when the Bill was heard in the House of Lords some months ago. That certainly is not the ideal approach, though it is arguably necessitated by the difficult timetable and the need to make savings. Nevertheless, it inevitably has created a sense of uncertainty.

The real concern that Consumer Focus Wales has is about the model proposed by the Government. There are few organisations that I have praised more often in this House than Citizens Advice. It performs excellent advocacy right across Wales and the United Kingdom, but it does not have—currently, at least—a great deal of expertise in detailed policy research, certainly outside of benefits, personal finance and housing. It has done some admirable work, and as a constituency MP I have referred cases to it on such matters, and it has referred cases back to me. What were formerly my two bureaux in Aberystwyth and Cardigan, now merged into one Ceredigion bureau, have done some excellent work.

Roger Williams (Brecon and Radnorshire) (LD): I support my hon. Friend in his views on Consumer Focus Wales, but I do not think that the alternative model would work to represent my constituents. Citizens Advice does not have that reach into the rural areas or that way of tapping into the problems. For instance, in Brecon an alternative organisation called the Brecon Advice Centre has set itself up to replace the citizens advice bureau.

Mr Williams: I agree with the thrust of my hon. Friend's remarks. Like me, he represents a vast rural area. Brecon, Radnorshire and Ceredigion are huge tracts of rural Wales. With the capacity of small organisations, inevitably facing financial constraints at the moment and curtailed by costs, I question their ability to reach out into those communities, despite the best of intentions. We will have to look closely at the resource transfer implications, if resources are going to Citizens Advice, to ensure that it has adequate resources to deliver what is expected of them.

I welcome the Government's intention to expand Citizens Advice's policy research team, but there is no certainty about retaining existing expertise to transfer it to that team. We need to differentiate between the advocacy role of the individual bureaux in our constituencies and the central role of collating information, to which my hon. Friend the Member for Cardiff North alluded, providing Members of Parliament, other interested parties and the Government with holistic information that advances public policy.

Some excellent people work in Consumer Focus Wales, and they have developed a high level of expertise over the past years. There is no guarantee that those excellent people will be retained by a new model. I hope that I am wrong on that, if we move in a certain direction, but I fear the worst.

Susan Elan Jones (Clwyd South) (Lab): Does the hon. Gentleman agree that Consumer Focus Wales offers a unique service? It is not there as a special interest group, but there to protect the citizen as a consumer. That is where its research comes from, and that is its focus. It is able to support consumers right across Wales with its specialist knowledge because of that.

Mr Williams: I concur with the hon. Lady's comments. Consumer Focus Wales has the unique ability to look at an individual case or an individual citizen coming forward with a concern, call for further information, as I said when I mentioned car park issues in my constituency, explore the depth of the problems, which are often brought to its attention by an individual citizen, and present them positively to policy makers. That approach is to be commended. The matter is not just about advocacy, but about the link between an individual citizen's problems and advancing changes in public policy.

Returning to the body of expertise, I would be interested if the Minister could update us on the latest status of discussions with Citizens Advice about the proposed model.

The definition of "consumer" set out in part 1 of the Consumer, Estate Agents and Redress Act 2007 includes the words,

"the activities of any government department, local or public authority or other public body."

As such, Consumer Focus Wales regularly undertakes work to look at the services that consumers receive from all levels of Government. It does not just have an advocacy role—critical though that is for individual citizens—but looks at the workings of Government agencies. There is no certainty that that important and independent focus on Welsh public services will continue.

Nia Griffith (Llanelli) (Lab): Is the hon. Gentleman aware that Consumer Focus has also identified the need to help shape the functions of the new Welsh language commissioner? That is yet another area in which its expertise could be used.

Mr Williams: I was not aware of that, and I am grateful for that intervention. I will come on to issues about the Welsh language in a moment, because they are, as the hon. Lady knows, critical to our constituents.

The failure to recognise the gap between what the consultation describes as consumer policy and all the areas that Consumer Focus Wales works in creates a worry that future arrangements may leave out altogether significant areas of work currently undertaken by Consumer Focus Wales. There is also concern about the arrangements for the extra help unit, which protects some of the most vulnerable consumers in society and is part of the Consumer Direct service via a referral protocol. The proposal is for that service to be transferred to Citizens Advice and Citizens Advice Scotland by March 2012. Therefore, that needs to be integrated into the plans for Citizens Advice to take over the Consumer Direct service, with absolutely no break in the service provided.

Significantly, the extra help unit is a completely bilingual service. That has to continue. I am not clear from what has been proposed how Citizens Advice plans to supply a fully bilingual service. Not only does that have to be provided, it must enable Welsh speakers to have direct access to a phone line staffed by trained Welsh language operators. Many of us, including myself, have great concerns about the function of public bodies and their capacity to respond to people who speak in Welsh. Providing a service via an intermediary translation service such as Language Line is not an acceptable alternative, a principle supported by the Welsh Language Board. The Office of Fair Trading once tried to provide a

[Mr Mark Williams]

Welsh language Consumer Direct service via an intermediary, but changed that policy following complaints from users and advice from the Welsh Language Board. Any clarification on that matter would be extremely helpful.

Crucially, while the new model in Scotland will be led from Scotland, and the model in Northern Ireland is led from Northern Ireland, in Wales we will be led from London. That would present concern in many areas. Given that the Welsh Government have competence for a number of the issues raised by Consumer Focus, and that there are many significant policy divergences between London and Cardiff, many of which I welcome, it is crucial for there to be Welsh input, which was the point made by my hon. Friend the Member for Cardiff North in his intervention. I know that we have a much better model for Wales than when proposals were first raised, but it still falls short of the Consumer Focus Wales model. I doubt whether it is practically achievable within the current model of Citizens Advice in England and Wales.

I understand that the Welsh Government are seeking the power to set up their own consumer body, in the same way that the Public Bodies Bill will give them the power to set up their own environmental body to take on the functions of the Countryside Council for Wales, Environment Agency Wales and Forestry Commission Wales. That would not involve the transfer of new powers, other than the ability to set up their own body to deal with advocacy. It would require no additional funding—in the current climate I respect that—as Wales would simply get the Barnett consequential that would arise from the new model in England, with much of the funding coming from levies rather than the public purse. The Minister may well urge me to respond to the consultation, but the difficulty that we face is that the Bill is going through Parliament now, and if we are going to give the power to the Welsh Government, as I believe we should, we have to act now.

Finally, we should go back to the original purpose of the decisions over quangos and consumer bodies. Do they streamline the process? That is questionable, given the new responsibilities expected of Citizens Advice and the significant work that will be required to get it to do the equivalent work of Consumer Focus Wales. Will it save money? Again, that is debatable, given the costs of transferring functions and the expansion of Citizens Advice that is required. I am sure that the Minister can help us on that matter.

Ultimately, there is a need for a body that can look specifically at all consumer issues from a Welsh angle. If that can be achieved through what the Government are outlining, then I am happy to listen to what they propose, but I am not sure that it can. In that case, I hope that the Minister will listen to the calls of many, including his counterparts in the Welsh Assembly Government, and give them the opportunity to go their own way and have the power to set up a Welsh consumer body—

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Will the hon. Gentleman give way?

Mr Williams: Before the last four words of my speech, I will give way.

Jonathan Edwards: I apologise for being late; I was giving evidence to the Select Committee on Procedure. There is unanimity of support in the National Assembly for Wales for the transfer of such powers. That is a key point to be made to the Government in London.

Mr Williams: I am grateful to the hon. Gentleman for making that intervention before my last four words. That is a key point. On the basis of what the hon. Gentleman and I have said, I hope that the Minister will look favourably at what some of us are suggesting.

4.49 pm

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): May I start by thanking my hon. Friend the Member for Ceredigion (Mr Williams) for securing the debate? As he said, he and my hon. Friend the Member for Brecon and Radnorshire (Roger Williams) came to see me in June, just after the consultation had begun, to press their case. My hon. Friend the Member for Ceredigion has pressed his case again today with his usual energy and enthusiasm. He was right to discuss in his initial remarks the excellent work done by Consumer Focus Wales. Any changes made will not reflect on that work; in many ways, we want to build on it and its excellence in representing consumers in Wales.

My hon. Friend mentioned Sharon Mills, whose son Mason tragically died during an E. coli outbreak in Wales. Ms Mills showed through her excellent work on food safety with Consumer Focus Wales that citizens can play a role. It also shows that Consumer Focus Wales has done an excellent job.

My hon. Friend is right that we are still consulting, and the consultation will not close until the 27th of this month. To reassure him and other Members, particularly Members from Wales, that we are listening, I can tell him that officials from my Department will be in Cardiff next week talking to officials in the Welsh Government about what they want. We have a genuine desire to reach out, listen, consult and find a way forward, and to ensure that all the great things that Consumer Focus Wales has done are maintained and that the Welsh voice is heard in whatever we end up with as a result of the consultation.

We must await the end of the consultation process. We will consider all responses carefully, but we believe that our proposals to rationalise further the functions of consumer protection bodies, strengthening the front line of consumer protection while reducing the complexity, confusion and waste of the current wide variety of bodies, are a positive step forward for consumer advocacy in Wales and across the UK.

We have absolutely no intention of reducing the level of support afforded to consumers across Wales; in fact, the whole purpose of the exercise is to see how we can improve it. I agree with the assertions made by the Welsh Government and Consumer Focus Wales that Consumer Focus Wales's functions in representing Welsh consumers should be retained in Wales. The organisation's important role in providing support for particularly vulnerable consumers, for example, which my hon. Friend asked about, will remain under the new regime.

Exactly how that role will be delivered is obviously still under consideration and will need to include comments from the ongoing consultation, but as I said, we are

talking with interested parties, including the Welsh Government and Citizens Advice, to design a model of consumer representation in Wales that meets our objective. We believe that the concerns expressed by my hon. Friend and Consumer Focus Wales are not insurmountable, and I hope that we can cover them all in our considerations.

Jonathan Edwards: Consumer Focus Wales has an agreed funding formula with Consumer Focus. Will the Minister ensure that any successor body has funding comparable to that currently enjoyed by Consumer Focus Wales?

Mr Davey: The hon. Gentleman will understand that that is part of the deliberations and consultation. I cannot pre-judge the findings of the consultation, but funding is clearly key among our decisions.

One big issue raised is governance in Wales. We see no reason why the new model cannot replicate the current one. We understand how important it is that decisions affecting Welsh consumers should be made in Wales. I hope that that reassures hon. Members.

We do not want to add layers of bureaucracy. In these difficult times, that would be wrong, as my hon. Friend said. Although it is important that each country should have national representation on issues of specific interest to it, universal industries should also continue to have a single national voice and should not have to negotiate three or four times whenever they wish to do something.

For example, if Royal Mail wished to make even a minor change to their service, devolvement of consumer advocacy, which some have proposed, would require them to have detailed conversations three or four times over, which could lead to differing levels of service. I hope that hon. Members can understand that some industries covering the whole United Kingdom are not devolved, and that we do not want to add unnecessary costs that will not serve the consumer.

Mr Mark Williams: I am pleased to hear that the discussions are being held between the Minister's Department and our colleagues in the National Assembly Government. That is important, and I wish those discussions well. Can my hon. Friend understand the frustration of some of us who are committed devolutionists and who look forward to the time when power can be transferred and Ministers in Cardiff, rather than here, will decide the appropriate future structure? That is my fundamental point, coupled equally with the need to provide a good service.

Mr Davey: I understand how my hon. Friend feels about that point. I hope that we can come to some agreement, not just in this debate but in due course. We want to give consumers and others greater clarity about who is championing their rights. Consumers need to know who their advocate is. We want to increase the impact of publicly funded consumer advocacy domestically and internationally and to reduce overlap. We want all that to be delivered by a known and trusted organisation with high visibility and outreach. I will talk tomorrow to the Welsh Minister, Carl Sargent, about the issue. I hope that that indicates to colleagues that we are taking Welsh concerns seriously.

Citizens Advice in England, Wales, Scotland and Northern Ireland is widely recognised and trusted by the public. In the surveys, its brand recognition is extremely strong and it is extremely well trusted. That is one reason why we have shaped the consultation as we have. It is a distinct advantage for an organisation with such strong recognition and trust to be up front, championing the consumer.

Jonathan Evans: I will be brief, as I am looking at the time. As the Minister is praising Citizens Advice, in which we all join him, I will share with him the observation that Citizens Advice is under great pressure. Other Members of Parliament and I are now seeing people who cannot get into Citizens Advice surgeries. Is he taking account of Citizens Advice's capacity to take on the responsibility?

Mr Davey: I am glad that the hon. Gentleman made that point, as it enables me to clarify something that has been slightly confused in this debate. One must remember that at the moment, Citizens Advice has a national organisation, which undertakes much of its research for consumers, and local bureaux. We are talking about the national organisation, Citizens Advice, taking forward the work of Consumer Focus and other organisations to ensure a powerful research and expertise base for advocacy, education and information at the national level.

Jonathan Edwards: Will the Minister give way?

Mr Davey: I must end my remarks, I am afraid.

That will be in no way affected by local pressures. Most funding for the national work comes either from levies or from the taxpayer; a lot of the local funding comes from local government. They are two connected organisations, and the strength is in their connection.

Citizens Advice, the national organisation, gets information fed up from the grassroots all the time. That is one reason why the brand is so trusted and why the organisation has a special, and perhaps unique, role to play in our country. Citizens Advice has local representation through its bureaux in communities. Although those bureaux will not be conducting research, they will be able to feed into the analysis. That is particularly important for the most vulnerable in our society. It is another reason why I think that our model has a lot of strengths.

I emphasise that Citizens Advice has an excellent track record of advocacy on behalf of consumers at a national and local level. We want to build on that track record and the brand awareness that it enjoys and direct resources for consumer education, information, policy and advice to Citizens Advice. We also want to bring together local, bottom-up information with the national research and expertise currently carried out by Consumer Focus, which is, as we have heard, of extremely high quality. That will create a powerful consumer body to which businesses will have to listen.

We do not intend to lose the experience and expertise held at Consumer Focus. Instead, we want to bring together its policy and research expertise, especially in the energy and postal services sectors, with the long-standing success of Citizens Advice and its bureaux in helping consumers. By operating in that way, we can connect consumer policy and research functions with the concerns and problems of citizens in their communities. There are benefits to be realised by making that connection.

[Mr Davey]

We remain committed to working with all, including those across Wales, to make it a reality.

Question put and agreed to.

4.59 pm

Sitting adjourned.

Westminster Hall

Thursday 15 September 2011

[SIR ALAN MEALE *in the Chair*]

Scientific Advice (Emergencies)

[Relevant documents: Third Report of the Science and Technology Committee, Session 2010-12, HC 498, Government responses HC 1042 and HC 1139, and oral evidence of 15 June 2011, HC 1059-i]

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Vara.)*

2.30 pm

Andrew Miller (Ellesmere Port and Neston) (Lab): It is a pleasure to serve for the first time under your chairmanship, Sir Alan, and to be opening the first debate that the Select Committee on Science and Technology has held in Westminster Hall during this Parliament. The occasion is tinged with regret, shared by all Committee members, because it is the last time we will have with us our excellent Clerk, Glenn McKee, who has served the Committee brilliantly. We wish him well in his new career. I think it is a punishment that he has been sent to the Select Committee on Communities and Local Government, but that is another matter.

This is a particularly important report. It was published in March 2011 and it looks at the Government's use of science in emergency preparation and response at a national level. We built on two of our predecessor Committee's reports—one written in 2006 entitled "Scientific Advice, Risk and Evidence Based Policy Making", and one entitled "Putting Science and Engineering at the Heart of Government Policy," which was published in 2009. This is a complex area and we tried to consider four different case studies: looking backwards over two events that have occurred, looking forwards at one event that is certainly going to occur, and looking at an event that has a potentially high impact but low probability. I will cover those events during my contribution.

In the first case, we looked at the 2009-10 H1N1 flu pandemic, otherwise known as swine flu. In the second case, we looked at volcanic ash and the disruptions that occurred to our air space last April. Looking forward, we considered the potential for cyber-attacks, which are a very real threat. The event that has potentially high impact but low probability is the occurrence of solar flares, which are caused by adverse space weather and have the potential to disrupt electrical systems. Again, I will cover some of that later.

Hon. Members might wonder why we chose those four case studies. Obviously, the first two—swine flu and volcanic ash—were the most recent emergencies that the UK had experienced and were very high-profile events, both here and abroad. In addition, both events relied heavily on science and engineering to provide answers to very important questions—for example, who should be vaccinated against swine flu or how much volcanic ash an aircraft can fly through safely.

We then chose the other two risks that could lead to an emergency in the UK. People are obviously more familiar with cyber-attacks than with the space weather event. Fortunately, we have not encountered either on an emergency scale. However, the name of the game is to be prepared; we wanted to see whether the Government were prepared and what they were doing to be ready for potential events.

I would like to make a couple of personal observations. I welcome the degree of co-operation that we had from Government officials, particularly those from the Cabinet Office, the lead Department. I have been involved with issues to do with information assurance and the cyber security world for a number of years, so I found it very refreshing that there was an acceptance that such matters had to be dealt with on a much more collegiate basis than was historically the case.

These things do not just belong to Cheltenham and the dark arts down there; there are serious issues and we must engage every citizen in looking after their personal data and their security. A cyber-attack could clearly be targeted at something such as a bank or a utility, which could have a serious impact on the nation state. We are not talking about a traditional warfare target, but such an attack could nevertheless be very effective.

It is clear to me that the Government take planning for emergencies seriously and recognise the need to draw in scientific advice. However, it is never safe to say that there is no scope for improvement. Our inquiry identified some weaknesses that we regarded as serious. I will start at the beginning of the emergency planning process: the national risk assessment. That is a comprehensive and, in some parts, classified assessment of the most significant emergencies that the UK could face over the next five years. Its counterpart is the national risk register, which is the unclassified bit that gets into the public domain.

There are broadly three stages to the risk assessment: the identification of hazards, the assessment of risk, and risk comparison. If I were a fly on the wall in some Departments, I imagine that I could hear some very interesting discussions about what is scientifically plausible and what ought to go into the realms of science fiction. As Chair of the Select Committee, I get all sorts of letters from people who postulate things that do not quite add up to the laws of physics as I understand them, so I guess that the Government face the same problems.

For every risk that makes it on to the national risk assessment—whether we are talking about attacks on the infrastructure or pandemic disease—the Government produce a reasonable worst-case scenario, which is a prediction of the worst that might realistically happen, rather than a prediction of what will happen. Unsurprisingly, that is a difficult concept to convey to the public and the media.

The House must take seriously its responsibility to communicate issues of risk to the public and should work with communities to help to improve public understanding of what risks really are. Certainly, some of the red tops are not exactly famed for being proportionate and level headed in these circumstances—indeed, some of the broadsheets are not immune to criticism about being sensationalist when it comes to reporting risk. My first plea, to the broader community, the science community and journalists, is for there to be an improved and responsible way of communicating what risks actually are.

[Andrew Miller]

I will give an example of where the worst-case scenario can fall down. During the flu pandemic in 2009, the Department of Health held a press briefing. The media immediately reported the worst-case scenario—that there could be up to 65,000 deaths in the UK. At that time there had been 30 deaths, and at the end of the pandemic the total number was just over 450. That was a terrible tragedy for anyone involved, but the irresponsible communication of information by some journalists had the potential to cause panic. The result was a sense that things had been exaggerated by the Government.

No Minister, and no one else in a responsible position, could have withheld the 65,000 figure. The then Secretary of State for Health, my right hon. Friend the Member for Leigh (Andy Burnham), was provided with the data; he could not have withheld that information from the public, but we must ask ourselves whether there was a better way of communicating it. Focusing on the most likely scenarios might give us a better way of doing that. Yes, a Minister must say, "These are the extremes", but we need to persuade reporters of the most likely scenario rather than the extreme possibilities.

It was not just the communication of the reasonable worst-case scenario that was the problem. The reasonable worst case was a 2% fatality rate, which meant that 2% of those infected would die. That was based on evidence from the 1918 Spanish pandemic. However, avian flu—bird flu—has an alarmingly higher fatality rate. We heard that it was simply not possible for the NHS to plan for such a scenario, so 2% was used. Our Science and Technology Committee was greatly concerned that the reasonable worst case was based not on the best available evidence, but on the need to determine how much to spend on planning.

I am pleased that the Government agreed that more could be done and that a review is under way to consider the reasonable worst-case concept. I hope that the Minister will tell us when we can expect the conclusions of the review and how the Government plan to try to develop the concept so that it becomes an accepted way of working aimed at reducing panic and concern when such events occur, as they inevitably will.

On the national risk assessment, we were disappointed to discover that the Government chief scientific adviser, Professor Sir John Beddington, had not been directly involved with the NRA, and had not had much involvement with the horizon scanning activities building up to it. We found that surprising; it appeared that the guy appointed to co-ordinate the best available science policy for the Government was not being brought in at the early stage of such an important field of activity. Of course, the co-ordination involves every scientific discipline; it is not just pure science. It involves statistics, engineering, behavioural science and a whole range of other issues. Science should be central to identifying, assessing and comparing risks.

Risk assessment must be informed by many sources of scientific advice, but clearly the Government's own chief scientist should be part of the process at a high level. We came down quite strongly on this matter and proposed ways of increasing his involvement with the Cabinet Office and, specifically, the NRA. We have had partial success in getting our recommendations accepted by the Government.

As I said, the NRA is classified and not available to the public, so we ourselves cannot see how well science is being used. That was one factor influencing our recommendation that an independent scientific advisory committee on risk assessment should be set up to review the NRA. That would make Parliament and the public more confident that the process is as evidence-based as possible. At our follow-up evidence session in June, we heard from the Government that there will indeed be such a committee. I will be interested to hear from the Minister what progress has been made in forming that committee.

Risk assessment is the foundation underpinning a good emergency response. What happens when that foundation is missing was unfortunately demonstrated by the 2010 volcanic ash emergency; that took the Government by surprise, because it had not been considered a likely emergency and therefore little or no preparation had been done. It was not part of the NRA, and in fact the risk of disruption to aviation from natural hazards was removed from the NRA in 2009.

I have not been able to find anyone who admits to taking responsibility for that, but just a year later there was quite a serious emergency. That will tie back into some of the things I will be saying later about the need for greater transparency. Having spoken to a lot of earth scientists with expertise in the Icelandic area, I am certain that they would have been knocking at the Minister's door as soon as they saw that such events were taken off the register. Within the earth science community, it has been an accepted fact that there was the potential risk of massive explosions in that area.

Once such information was in the public domain, I would have expected the Civil Aviation Authority to tie it together and come up with some conclusions and advice for the Cabinet Office. However, something went wrong. I do not suppose that I have to ask the question; I bet the Minister will not be leaving the issue off the NRA again. I suspect it will be there in the next published register later this year.

As a consequence of the lack of planning, airspace over the whole of the UK and many parts of Europe remained closed for a whole week while engineers figured out what was acceptable and what ash concentrations were safe for planes to fly through. At the time, the only available guidance was to avoid the ash: "If it is visible, do not fly through it"—hardly scientific and hardly a comforting policy for people sitting nervously in planes. It was a very expensive mess that cost airlines millions of pounds and stranded Britons all over the place all over the world.

When we were again disrupted by another unpronounceable Icelandic volcano in May, more specific guidance and protocols were in place to deal with it. That was a testament to the work of the CAA, which led to work within Europe to update the requirements for operating in and around volcanic ash.

Before I turn to how the Government respond to emergencies, I want to touch briefly on the issue of space weather. Changes in the sun's atmosphere affect the space environment near to Earth. Events could involve injections of plasma—particles of radiation from the sun. Solar activity changes according to a cycle of approximately 11 years. Many scientists believe that we will have a solar maximum next year, coinciding with the Olympics. There is long probability, but there

would be high impact if something went pear-shaped. If a small event occurs, taking out a few transformers and, just as the starter's gun for the 100 metres is being fired, no transmissions occur from any broadcaster in the UK, we would be somewhat embarrassed. That is clearly a long probability event, but one of enormous political and economic significance. We cannot simply ignore these events.

One problem is that when one looks back at the history of similar events, comparisons are a little difficult because we have become so much more reliant on electrical gadgets and devices. I do not suppose there is anyone in the Chamber who does not have a mobile phone with them, and nobody in the Chamber who is not entirely reliant on electronic technologies. In 1989, an event caused Quebec to lose its power grid for approximately nine hours. That was a serious event, and one that could easily happen again.

The earliest well-documented event took place in 1859, recorded as the Carrington event, when telegraph systems were taken out. It disrupted systems all around the world, and that was before we became so reliant on electricity-based technologies. We do not really know what the effects of another Carrington event would be on, for example, the national grid, satellites, the global positioning system, computer chips or avionics. It is reasonably well known that some satellite technologies are built to higher standards now. I suspect that most of the military technologies that I have looked at have the capacity to be taken out of harm's way, or are sufficiently well shielded, but an awful lot of infrastructure is not.

The Committee's interest in space weather coincided with work that the Government were doing. Sir John Beddington had started work almost at the same time. Our inquiry kept being told that this was work in progress and that we should expect space weather to appear on the 2011 national risk assessment register. I would be grateful if the Minister could tell us whether that has happened.

No matter how good an assessment is, we cannot prevent some emergencies from occurring. In any emergency that requires scientific input, a scientific advisory group in emergencies is set up—its acronym is, appropriately, SAGE—to advise Government and Cobra, central Government's crisis management committee. SAGE should be the funnel for scientific advice from all sources—I stress all sources. The membership of each SAGE committee will vary according to the emergency, but most members will be scientists. The Committee felt that improvements could be made in the pre-identification of possible SAGE members, at least for every risk that is on the current risk register. We felt that that could save valuable time in bringing the right people together should an event occur. Indeed, that recommendation was accepted by the Government.

SAGE is a relatively new mechanism. With every emergency for which a SAGE committee was set up, lessons have been learned and improvements made. Things are moving in the right direction. It was disappointing to find, at the start of our inquiry, that information on the SAGE committees for swine flu and volcanic ash was more or less hidden from public view. That does not help us learn lessons. We have to be totally transparent, returning to the points I made earlier. It is also quite odd, when you consider the importance of communication and openness in an emergency, that SAGE committees have not worked in an open manner.

We found other problems. The independence of SAGE from Government was ambiguous. Scientific advisory committees really should be independent of Government to ensure that their advice is impartial. We also heard concerns from some scientists who were members of SAGE committees. They felt unable to talk to the media, thus depriving the media access to the real experts. There are problems in communicating some of these issues, and some experts are very good at communicating risk to the public. All in all, the Committee was pretty unclear about the rules governing SAGE. Our recommendations can be summed up in two points: be more transparent; and publish guidance on how SAGE should operate and stick to it. That way we will know what to expect. We were told that guidance would be produced this summer; the Minister might like to update us on progress. Putting those concerns aside, overall SAGEs have been a useful mechanism for getting scientific advice to Government quickly. Adjustments need to be made, but we were not calling for a major rethink. Sometimes a subtly different approach is needed for different events.

Nine days after our report was published, a massive earthquake and tsunami hit the north coast of Japan, causing massive loss of life and severe damage to infrastructure. Japan will be dealing with the consequences of that tragedy for some considerable time. An immediate concern was the integrity of the Fukushima nuclear power station and the risks it posed to human health. We watched with interest as the UK Government and a new SAGE committee swung into action to assess whether there was a need to evacuate British nationals. This time—this relates to the point I made about lessons learned—the SAGE committee had a higher public profile. Sir John Beddington was very prominent in briefing both the media and Britons in Japan via teleconferences. A few months down the line, it is clear to me that the UK's reaction has been proportionate and evidence based. SAGE played a crucial part in that. I would like to think that our work influenced the positive way in which the Government and SAGE worked during that emergency.

My final point is on cyber-attacks. We were slightly limited by the classified nature of some information, but we took some fascinating evidence in this case study. It was the only risk examined that could be the result of malicious human activity. The Stuxnet worm, which targeted Iran's uranium-enrichment programme, was a real-life example of how organised and structured cyber-attacks on critical infrastructure could succeed, and cyber-technology, unlike some conventional weapons, can be copied.

Cyber-security has received a huge amount of attention recently, with the publication of the Government's 2009 "Cyber security strategy of the United Kingdom". The subsequent formation of the Office of Cyber Security and Information Assurance was welcome, because so many public and private bodies are tasked with ensuring our security in cyber-space. However, tasking a body with providing direction and co-ordination is pointless if it has no powers and insufficient funding. We recommended that the Government clarify the funding

[Andrew Miller]

and powers of the new office. Again, we have not yet received a response and would welcome comments from the Minister.

Stephen Mosley (City of Chester) (Con): I apologise for my fleeting visit to the debate. I am on a Public Bill Committee this afternoon but, as a member of the Science and Technology Committee, I thought it important to support the debate.

In terms of cyber-security, so much of the UK's national infrastructure is dependent on the private sector, so one of the key tasks of the OCSIA is to work with those private sector defenders and providers of our national infrastructure, to ensure that they are well protected. One of the issues in Committee was what powers the OCSIA had to oblige those private sector providers to look after their cyber-security. Perhaps that is an area on which the Minister might enlighten the Chamber later.

Andrew Miller: I thank the hon. Gentleman who, in Chester, is my neighbour. He is always posing me challenging questions, but he makes a fascinating point. The threat to national security from cyber-attack is clearly as serious in the private sector as it is in the public sector, and probably more so. That is a great challenge. We cannot have a world in which everyone who worked in a bank would be security cleared to the level that the Minister's staff are—that is not realistic and it could not be done for every utility. That is why extensive sharing of expertise across boundaries is necessary in the sector, to ensure that lessons from the public sector are learned in the private sector, and vice versa, including sharing information with academics.

The hon. Member for City of Chester must recall one academic witness, a man who was held in extremely high regard by the current Government because he was party to writing a paper for them, when they were in opposition. He said that he did not want to be security cleared, so there are some interesting dichotomies. The Minister needs to contemplate that problem and, I hope, answer the challenging question posed by the hon. Gentleman. In that complex world, without becoming obsessed by security clearance for everyone on the planet, how do we improve information sharing and expertise in and out of and across the boundaries between the private and public sectors?

Soon after the second volcanic ash event, when we were reflecting on the report and talking about some of the information, communication and technology issues, one of the officials said in a meeting I was at that, when the second volcano erupted, they reached for the Select Committee's report to see how to handle things. I know that that was intended to butter me up a little—I welcome it—but, all in all, the Committee has done a sound piece of work which I hope is taken on board by the Government.

I hope that Members will agree that our inquiry on "Scientific advice and evidence in emergencies" continues to be pertinent to how disasters and emergencies, here or abroad, are handled by the Government. Last winter we had a resurgence of swine flu cases, and we are currently approaching the peak flu season this year again. This May there was another volcanic eruption, which affected our airspace briefly in Scotland and northern England. Severe weather is occurring more frequently, and last winter we had extraordinarily low temperatures that I do not recall having before. Also, as I said earlier, we are approaching the solar maximum. I do not want to scaremonger and create panic. What I want to do is to highlight the fact that the issue is live.

With the right processes in place, and good use of scientific advice and evidence, emergencies can be planned for and effectively managed and information can be communicated to the public. We all in the House would agree that it is our responsibility, collectively, to handle situations such as the ones I have described in a manner that crosses the political divide. I hope that the Minister will agree that we can all learn lessons from each other and we need better ways of working with outside agencies, whether that is people responsible for communicating information to the public or experts who can provide information. I hope that the House will take note of our report and that the Government will act positively on the outstanding issues I have listed.

3.7 pm

Gavin Barwell (Croydon Central) (Con): It is a pleasure to serve under your chairmanship, Sir Alan. I do not intend to speak in as much detail as our Chair, the hon. Member for Ellesmere Port and Neston (Andrew Miller), because I cannot hope to match his expertise. I want to discuss risk, and how we identify it, assess it, manage it and, in particular—this is the subject which I will start with—communicate it to our constituents.

We should acknowledge some real difficulties in communicating. There is a difference between the scientific community, which has a key role in identifying and assessing risk, and the public and how they understand such matters. There are differences of nuance—often, the situation is complicated, with all sorts of different variables coming together, and we will never succeed in communicating that level of complexity to the general public, so there has to be a fairly simple message which can be clearly understood. If we take our example of a reasonable worst-case scenario, the potential flu pandemic, scientists tend to look at the impact on populations as a whole, but the general public are interested in the risk to them as individuals and to their immediate family members, friends and neighbours.

One of the things that was clear from the evidence presented to us was the significant degree of uncertainty and the way in which the figures on the reasonable worst-case scenario evolve rapidly over a period. Although that was absolutely correct from a scientific perspective, the way in which it was communicated to the general public simply fed a sense of uncertainty and might have undermined people's trust in the figures. One week people were told one figure was the likely outcome, but a few weeks later that figure had changed dramatically, and there is a risk that such things can undermine confidence in the whole process.

Furthermore, scientists trying to establish a causal link between two things will say that X led to Y only where there is clear proof that that was the case. However, many of us tend to rely on intuition and to suspect causal links, even when the same standard of proof has not been reached. There are, therefore, real difficulties around communication.

Page 28 of the report says that the Government's definition of a reasonable worst-case scenario

"is designed to exclude theoretically possible scenarios which have so little probability of occurring that planning for them would be likely to lead to disproportionate use of resources...They are not predictions of what will happen but of the worst that might realistically happen, and therefore we would expect most pandemics to be less severe and less widespread than the reasonable worst case. By planning for the reasonable worst case planners are assured that they have a high probability of meeting the demands posed by the hazard should it occur."

It was clear from the evidence presented to us that there are a number of problems with the Government's approach. First, Professor Ferguson, the director of the Medical Research Council, told us that

"the term 'a reasonable worst case' is, by definition, not an objectively definable term; it is a subjective term. One could take the other extreme, and I remember David King and Sir John Beddington challenging what we were doing by saying, 'Well, if you look at bird flu, that has a 60% case fatality rate'".

I have already talked about the figures changing, and we heard clear evidence about that in our inquiry. We were told that as more and more data arrived, the initial figure of 65,000 came down and down.

There was a real issue with time lags, which the Government must look at. Professor Ferguson told us there was

"a three to four week lag between the group I was involved in coming up with new reasonable worst cases, and then coming into the public domain in terms of getting through the DH"—

the Department of Health—

"and Cabinet Office approval process."

As a result, what the public were told was a reasonable worst case was already three to four weeks behind the evidence that was building up.

There is a serious issue about the potential damage to the chief medical officer's reputation. The Phillips inquiry after the BSE crisis highlighted a number of clear lessons, one of which was that the public's trust in the chief medical officer is precious and should not be put at risk. The chief medical officer told us:

"Even a back of the envelope calculation that I did suggested to me that we would get no more than a thousand deaths, but that was not the scientifically agreed figure. So I could hardly dissent from the bigger figure."

As the hon. Member for Ellesmere Port and Neston has said, the chief medical officer gave a press briefing on 16 July. The press reported that 65,000 people could die. At that point, 30 had died, and the eventual death toll from the pandemic was 460. It must be a real cause for concern that the chief medical officer was using a figure in which he clearly had no confidence, because he did not believe it was anywhere near what was likely to happen. The review of the UK response to the pandemic, which was chaired by Dame Deirdre Hine, said:

"There was some unease about how reasonable the 'reasonable worst-case' scenarios were.... There was general agreement that the term was unhelpful",

because it implied that the scenario was likely to occur.

I therefore strongly support the Committee's recommendation that the Government should look at the concept of most-likely scenarios. On that point, the Government response was helpful. The Government said they would look at the conclusions of the Blackett review. As the hon. Member for Ellesmere Port and Neston has said, it would be interesting to hear from the Minister if that has been completed and what it had to say. It would also be interesting to know whether the concept of a reasonable worst-case scenario was used when British citizens in Japan were given information about the risks posed by the Fukushima incident a few months ago.

I want briefly to touch on two other issues raised in the report in relation to risk. One is the extent to which the Government use scientific advice not only when an emergency happens, but when they formulate the national risk assessment. That raises the issue of the chief scientific adviser's involvement in the process, and the Government's response on that front was encouraging. They agreed that the chief scientific adviser should become more formally involved, and it would be useful, as the hon. Member for Ellesmere Port and Neston has suggested, to clarify the exact nature of that involvement.

The other issue is the idea of a scientific advisory committee on risk assessment. I want to end with another quote from the report, which illustrates the issue more strongly than any of the evidence that we received. Speaking of volcanic ash incidents, Dr Sue Loughlin, the head of volcanology at the British Geological Survey, told us:

"It wasn't particularly a surprise to the volcanology community that something like this would happen, but somehow that message hadn't got through to Government."

The Geological Society stated that

"some Earth scientists report that they have been warning Government and others of the potential for major disruption due to Icelandic eruptions for a number of years, but feel that little notice has been taken of these warnings."

It is important that the Government pay more attention to scientific advice in drawing together the national risk assessment, rather than just waiting until a particular incident occurs. They should also look at the basis on which they communicate risk to the general public. I in no way underestimate the difficulties involved in that, and I have tried to touch on them in my speech—those issues are sensitive, and they are not easy to communicate—but the Committee's work illustrates that there are some real problems with the Government's approach. I hope that Ministers will give us more detail about how they wish to take those issues forward.

3.17 pm

Stephen Metcalfe (South Basildon and East Thurrock) (Con): It is a pleasure to serve under your chairmanship, Sir Alan.

Just after midnight, on Sunday 21 March 2010, the BBC website reported:

"An Icelandic volcano, dormant for 200 years, has erupted, ripping a 1km-long fissure in a field of ice...sending lava a hundred metres high.

Icelandic airspace has been closed, flights diverted and roads closed... 500 people were moved from the area".

Three weeks later, the same BBC website reported:

"All flights in and out of the UK and several other European countries have been suspended as ash from a volcanic eruption in Iceland moves south...4,000 flights are being cancelled with airspace closed in Norway, Sweden, Finland and Denmark",

as well as in the UK. It noted that the EUROCONTROL group had said that the problem could easily persist for at least the following two days.

[Stephen Metcalfe]

Over the next weeks, the problems persisted and there was great debate about whether it was safe to fly. Could ash bring down planes? What sort of ash was it? People were stranded all over Europe and the rest of the world. They had no way of getting home. Millions of pounds were spent on alternative hotel accommodation and on travel. There was absolute travel chaos around the world.

On 23 April 2009, the first cases of the H1N1 virus—the swine flu virus—were confirmed in Mexico and the US. Four days later, the first cases appeared in the UK, in a couple in Scotland. The Government announced that the stockpile of antivirals would be increased from 33.5 million to 50 million doses.

On 1 May, the first case of human-to-human transmission in the UK was confirmed. On 15 May, agreements were made to secure another 90 million doses of pre-pandemic vaccine. On 16 July, as we have heard, the chief medical officer announced that 65,000 people could die from the swine flu virus, in the worst-case scenario. On 10 September, the four UK Health Departments released critical care strategies to cope with the expected increase in demand during the second wave of the pandemic, and on 21 October vaccination programmes began with front-line health care workers and their patients in at-risk categories. Plans were laid to keep the supply chain operating and the shops were stocked. Key workers were identified; there was the potential for chaos.

On Wednesday 14 November 2012, at 6.15 pm, satellite channels start to flicker and go offline. Intermittent power cuts affect large chunks of the south-east of England. Planes are told to adopt holding positions as radar and global positioning systems start to malfunction. Mobile phones and computers develop faults and cease working. The internet goes down and trains stop running. A state of national emergency is called and an announcement is made that the UK is experiencing a coronal mass ejection—space weather—although no one is sure who is listening.

On a quiet Tuesday afternoon in 2015, cash points cease working. The problem is believed to be local, but reports are surfacing that the complete ATM system could be affected. Technicians are working on it. There are suggestions in the media that it could be a complex cyber-attack on infrastructure. More systems fail and the banking system seizes up. Shops cannot take payments. Suppliers go unpaid. Wages and benefits do not get paid. Benefits are not paid. There is chaos as the whole economy seizes up.

Those scenarios sound like the seriously dodgy synopses of some bad B-movies, and I have been over-dramatic and used a dollop of artistic licence, but they highlight some of the risks that we and the Government face. As we have heard, it is the way we identify and plan for those risks that will determine how well we cope with them.

I am often asked by people what the relevance of the Select Committee on Science and Technology is to the people of South Basildon and East Thurrock. I always refer them to our investigation into how the Government use scientific advice and evidence in emergencies. I explain how seriously the Committee and the Government take the need to know how we might keep the lights on, or the shelves at Tesco stocked, in an emergency, and that provides a great example of how something that seems not to affect people's day-to-day lives can affect them seriously.

I do not want to frighten anyone. My introduction may have been a little alarmist and I do not want anyone to have nightmares, but the volcanic eruption in Iceland caused chaos. It cost the economy many millions of pounds and inconvenienced many people, but there was more than inconvenience. A lot of business was not done, and many people missed important events. As we heard, part of the problem was that on that occasion the Government were playing catch-up—certainly for the first part of the crisis—as the eruption had not been identified as a potential risk. It was on an earlier version on the national risk assessment, but, for whatever reason, it had been taken out.

I accept that the H1N1 swine flu outbreak never became a pandemic, but it might have done. It is not inconceivable that in the foreseeable future we shall have a pandemic, in which large numbers of people fall sick very quickly, jeopardising our ability to keep our vital private and public services operating. The question is how we will cope with that, and what we can put in place to mitigate the effects.

In addition to considering two historic events, the Committee looked at two potential risks of the future—space weather and cyber-attack, both of which sound like fantastic straplines for "Doctor Who" or "Torchwood", but have the potential to pose a real threat. Perhaps they are not quite as dramatic as I have stated, but we did, in 1859, experience a bout of severe space weather, known as the Carrington event. Its impact was recorded as serious at the time. As the Committee Chairman said, we are now totally dependent on electricity—on electrical devices of all sorts: satellites, GPS, mobile phones and computers. Because events such as the Carrington event do not happen often, it is difficult fully to anticipate the effects.

We have all experienced attack by computer viruses and know how devastating they can be when they affect just our personal computer. At best it is inconvenient, but at worst the whole machine can be fried. If we imagine that happening on an industrial scale, or a widespread attack on PCs to harvest personal data, we can see that there could be a real problem.

Those are just some of the challenges that the Government need to prepare for, and to prepare strategies to mitigate, while keeping within the bounds of reality. That is a key issue: identifying the risk in the first place. Who do the Government listen to and talk to? What are the risks and financial implications?

To find the answers we must first identify the risk. The Committee was reassured by the fact that there is a national risk assessment. That project is charged with identifying threats and undertakes the important role of horizon scanning. However, I was surprised, as I think we all were, to hear from the chief scientific adviser that he does not have a formal role in approving what goes on to the national risk assessment. That highlights the need for the Government to make better use of scientific advice and evidence—and not only during emergencies, but prior to them—and to use the skills available to them now, to develop the NRA further and ensure that robust contingency plans for all events are in place.

The Committee considered that the Government reach for scientific advice after emergencies, but do not integrate it well enough beforehand. I should like to hear from the Government that their chief scientific adviser will now have a more formal role in the national risk assessment, and sign off on the NRA only if he is satisfied with the scientific input.

Another issue, which the Committee Chairman outlined and my Committee colleague, my hon. Friend the Member for Croydon Central (Gavin Barwell), discussed, is how we should communicate risk to the public, and what risks the Government should prepare for. Those are not necessarily the same thing. We heard a lot about the reasonable worst-case scenario. I understand that that is an attempt to identify and prepare for a serious event, without going into flights of fancy, even if that scenario is very unlikely.

The Committee believes that the Government should also prepare for the most likely scenario—one that can easily be communicated to the public, and entailing a risk that they can understand and take simple precautions against. An example might be better information about always using the latest virus protection software on home computers, or password protecting wireless networks. However, that does not negate the need to prepare at Government level for more serious, if unlikely, events: to work with power companies to explore ways to minimise the impact of space weather; to ensure that the banking system understands potential threats; or to work with business to ensure that the supply chain would continue to function in a flu epidemic.

It would be useful to hear from the Minister, in the light of what I and other hon. Members have said, how he sees the role of the reasonable worst-case scenario, and how the Blackett review that is now under way is progressing. When may we hear some of its results?

It struck me that in several cases the Government were, if not complacent about potential risks, coming at them perhaps a little late. The establishment by the Government of the Office of Cyber Security and Information Assurance, which we have heard about, and on which there have been questions, is very welcome—but it is a new office, established to assess a risk that has existed for many years. I am therefore interested to hear how it is progressing and what its findings are, as well as what other new offices may need to be created following a vigorous horizon-scanning exercise. Horizon scanning seeks out as yet unknown and unidentified threats, so that we can at least start to think about their impact, and how to deal with them. It would be useful to hear confirmation from the Government that they want to identify those threats, and that they want fully to explore all the risks, regardless of whether they are too expensive to deal with or too complex to plan for. Risk should be dismissed from the national risk assessment on the basis of scientific advice and evidence.

Not all risks are confined to individual nations. Some present a global threat, and it is important to work across borders with other countries. We must continue to participate in and play an active role in collaborative programmes, such as the European Space Agency's space situational awareness programme, so that we are better prepared for a space weather emergency. Again, will the Minister confirm our commitment, not only to that programme, but to the wider concept, and tell us whether other collaborations are taking place?

In conclusion, it is vital that we do not overstate the risks. We must not frighten people, or provide headlines for the red-tops, but we must not underestimate them. We must assure the public that the Government have a sound and robust process in place that assesses any threat using proper scientific evidence and advice and that the Government have put in place contingency plans to deal with risks based on the advice of experts. If that is done calmly, although we will always live in an unpredictable and changing world, we can be sure that whatever is thrown at us the Government will be able to help us collectively see our way through any challenge, and that we will emerge, if not unscathed, better than we might otherwise have done.

3.32 pm

Nia Griffith (Llanelli) (Lab): I congratulate my hon. Friend the Member for Ellesmere Port and Neston (Andrew Miller) on the excellent work that he and his Committee have done on this thorough report. They must have spent hours and hours listening to appropriate evidence in drawing up their conclusions. I have learned a lot from studying the report, and I very much enjoyed today's contributions from my hon. Friend and from the hon. Members for South Basildon and East Thurrock (Stephen Metcalfe) and for Croydon Central (Gavin Barwell), as well as the short contribution from the hon. Member for City of Chester (Stephen Mosley).

We all hope for the best, but while doing so we must prepare for the worst. Even understanding what we mean by the worst, and what the difference is between the worst-case scenario and the most likely scenario is skilled work in itself, as we have heard this afternoon. The Committee studied national risk assessment in detail, and one of the report's main findings is that although there is good use of scientific back-up during the response and recovery stages of emergencies, that is not always the case with preparation.

What has been done to put sound scientific advice at the heart of Government policy making? In 1997, Lord May, who was then the Government's chief scientific adviser, published the first edition of "Guidelines on Scientific Analysis in Policy Making" to show how Departments should obtain and use scientific analysis. They were updated in 2005 and 2010, and we now have more than 60 scientific advisory committees, which consist of independent experts who advise Departments, Ministers and the chief scientific adviser.

In 2002, the "Cross-Cutting Review of Science and Research" recommended that all Departments that rely on science should have science and innovation strategies, and departmental chief scientific advisers. By the time Labour left government, there were such advisers in every Department except the Treasury. Their presence enhances scientific input throughout departmental action. For example, a group of chief scientific advisers reviewed the draft Gallagher review on biofuels, and they made the final report more scientifically robust than it might otherwise have been.

In 2003, the Labour Government introduced science reviews for each Department to improve the use of science within Departments. In 2004, the science and innovation investment framework, which was designed to last for 10 years to 2014, was published.

[Nia Griffith]

In 2006, the joint public-private energy research partnership was launched to provide leadership for UK investments in energy research and innovation, which also contributed to Government initiatives, including the renewable energy strategy. In July 2007, the Government Office for Science was created within what those of us who are old enough to remember or were here then was the Department for Innovation, Universities and Skills.

It is obviously important to keep science at the heart of Government policy. Before we left office, we created and published the principles of scientific advice to Government to ensure a proper working relationship between the Government and scientific advisers and advisory bodies. In 2005, we revised and updated the Government's arrangements for emergency response.

One conclusion of the report before us focuses on scientific advisory groups in emergencies. The Committee recommended that the SAGE guidelines should address independence, transparency, confidentiality and the conduct of those involved. In this day and age, it is vital to draw on all expertise worldwide, and we should not shy away from seeking expert advice. An emergency is not a time to hide away, or to avoid bringing in the very best help that might assist us in resolving matters more effectively because of a stubborn wish not to admit that we might appreciate help, or that there could be people out there with greater expertise than our own. With the necessary safeguards for matters of national security, what can the Minister tell us about Government plans to make the operation of SAGEs more transparent?

I am responding to the debate, but the Minister is from the Cabinet Office. He will be aware that my shadow Cabinet Office colleagues are in Committee discussing the Public Bodies Bill, which is close to the Minister's heart. The report links to the spirit of that Bill, and the Government's response says that the Joint Committee on Vaccination and Immunisation

"will be reconstituted as an independent committee of experts to the Department of Health. The reconstituted committee will have a similar remit to that of the current committee"

and will "retain its independence and" continue

"to consist of independent experts."

Why is a committee being disbanded and put back together with a similar remit? What sort of musical chairs is that? Will the Minister explain why a simple change cannot be made to the current committee? The dogma of the Public Bodies Bill—tearing up everything and reinventing the wheel when gaps become apparent—is mad.

I also want to ask about the Health Protection Agency. One minute we seem to be about to abolish the Health Protection Agency a month before the Olympics, and the next minute that seems to be not such a good idea. Will the Minister reassure us on the agency's functions?

Will the Minister explain exactly what the Government will do to ensure that Department chief scientific advisers play more of a leading role in the preparations for emergencies? I emphasise "preparations", because that is what the Committee was so concerned about. What is the Department for Business, Innovation and Skills doing to improve the Government Office of Science and the chief scientific adviser's influence across the Government? What are the Government doing to ensure that good quality scientific advice is put at the heart of all Government policy, including scientific advice in the technical sense and social and behavioural science advice? How do the Government intend to improve parliamentary and wider scientific scrutiny of the decisions that they make in emergencies? When do the Government expect to fill the posts for chief scientific adviser that are currently vacant in the Department for Business, Innovation and Skills, the Department for Transport and, in the light of the 2012 Olympics, the Department for Culture, Media and Sport? Will those posts be filled by people who are appropriately qualified, and are the Government satisfied that each Department has the necessary expertise?

As a Welsh MP, I would be grateful for the Minister's reassurance that appropriate channels are in place to ensure the smoothest possible joint working with devolved Administrations in any emergency, and that any changes to the system will be properly communicated to those responsible in Wales, Scotland and Northern Ireland.

As highlighted in the Pitt report on flooding, local authorities are key to an effective response to an emergency. Will the Minister ensure that local authorities have the necessary expertise and access to training, and that appropriate mechanisms are in place to allow them to work with other authorities to maximise efficiency in an emergency?

One of the report's main conclusions is of concern:

"We have been left with the impression that while science is used effectively to aid the response to emergencies, the Government's attitude to scientific advice is that it is something to reach for once an emergency happens, not a key factor for consideration from the start of the planning process. We conclude that scientific advice and an evidence-based approach must be better integrated into risk assessment and policy processes early on."

It is vital for the Government to take on board that advice from its critical friend, the Science and Technology Committee, and I urge the Minister to ensure that scientific advice shapes the thinking and actions taken in preparation for emergencies, and is not a bolt-on, afterthought or optional extra. This matter is of national concern to us all, and we want to work cross-party and be as supportive as we can where the Government are making the right decisions. If, however, we feel that adequate measures are not being taken, we will point that out so that things can be done better for the sake of us all.

3.42 pm

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): I am grateful to all Members who have taken part in this important debate for its tone and the many helpful insights that they have provided. I commend the detailed work of the Science and Technology Committee. It was undertaken in an appropriate spirit of interrogation and challenge, and contains measured and thoughtful conclusions which, for the most part, the Government have accepted.

It is important to start by saying that it is unlikely that any Government will ever get this issue completely right. The nature of emergencies means that they are unpredictable; their likelihood may rise or fall, and we do our best to estimate that, but their effects are unpredictable and we can only prepare as best we can and try to manage the risks in a sensible and proportionate way. My family motto is, "Hope for the best while confidently expecting the worst." That is not entirely a

basis on which one can prepare for emergencies because, while we hope for the best, we must plan for the worst outcome.

There is always an incredibly difficult balance to strike between underestimating a situation and appearing complacent about its malign effects on communities and the economy if we do not prepare sufficiently—although we should always err on the side of caution—and investing many resources in preparing for outcomes that are wholly unfeasible but could mean that damage is imposed on the economy or disruption on people's lives. The nature of emergencies makes it unlikely that that balance will be achieved exactly, but it is important that we strive to get it right.

Roger Williams (Brecon and Radnorshire) (LD): I apologise for not being here at the beginning of the debate, but I was engaged in activities elsewhere in the House. The Minister makes a good point. At times, medical scientists may offer advice that would be hard to deliver in terms of social science. There could be a conflict between pieces of advice that are properly given by two proponents of the same profession.

Mr Maude: My hon. Friend is right, and in the end we have to make a judgment and try to prepare in a proportionate way based on the best evidence available, while acknowledging that that evidence will not always be conclusive. The process set in place through SAGE will try to distil the best view, which is important.

A number of Members have raised points about the communication of risk, which is an important issue and difficult to get right. When communicating risk to the public, it is important not to scaremonger, make people agitated or cause them to behave in a way that is not reasonable. Nor should we devote resources to something in a way that cannot be justified. At the same time, we must never be complacent.

I have thought about the concerns raised in the report and by hon. Members during the debate about the concept of the reasonable worst case. It is difficult to get the form of words right. If the word "reasonable" is inserted, it sounds as if it is a situation that we think will happen. In fact, "reasonable worst case" is not what we believe likely to happen; it is the worst case possible if we remove situations that are absurdly improbable. Pitching that statement correctly is quite difficult.

A number of hon. Members mentioned the Blackett review that will be published in the next few weeks, which we will obviously consider. The Blackett panel looked at the concept of reasonable worst case, which it believes—as do the Government—that it is essential to consider when planning and building capability. It believes, however, that we must think about the use of that concept in communicating risk because it may be that the concept of the most likely case is more useful.

Governments will always be anxious about having a figure in their possession that they have not shared. That was the case with swine flu, and I understand the concern of the Health Secretary at that time. The Government did not want to suppress a figure that might have been arrived at properly, even though it proved to be way off beam. These difficult issues need to be tackled in a serious and measured way and it would be useful to have further discussion and debate once the Blackett panel has completed its review. We must get this issue right because, when emergencies happen—as they will—it is important to have some kind of shared understanding across the political spectrum, and between the Government, Parliament and the media, about the way the concepts in question have been used and the need for responsibility when dealing with facts and estimations.

My hon. Friend the Member for Croydon Central (Gavin Barwell), who could not stay for the end of the debate because he had to be elsewhere, talked about the figures changing in the course of the swine flu epidemic. The truth is that in an emerging epidemic, there are very few cases on which scientists can make assessments; there is very little epidemiology to go on. Arguably, it is better to be honest about the possible worst case and plan for the worst; and then if events turn out very differently, at least that is better than their turning out much worse than predicted. I was asked whether we had used the reasonable worst case approach for the Fukushima event. The answer is yes, that did happen.

On the difficult issues about trying to get right the communication of risk, I am grateful for the Select Committee's insights. The Blackett panel will produce its conclusions in due course, and we will share them and continue to have discussions and debates.

I was asked what progress had been made in response to the concerns that the Select Committee raised, which I understand, about the role of the Government chief scientific adviser in national risk assessment. Work is under way to set up an independent scientific advice group for the NRA, which will be in place in time for the 2012 NRA. The draft 2011 NRA has been sent to the Government chief scientific adviser, and he will respond to me and my officials in due course. Obviously, it is important that that assessment has the benefit of his detailed scrutiny. We are taking the conclusions and recommendations in the Committee's report seriously and acting on them.

The Chair of the Committee, the hon. Member for Ellesmere Port and Neston (Andrew Miller), asked when SAGE guidance would be published. We are aiming for later this year. We are building in steps that are being taken in the light of the inquiry and the reflections in this debate.

I was asked about transparency. We agree that SAGE should operate on the principle of openness and transparency. The membership, minutes and key scientific advice papers for all three recent SAGE activations, which were in relation to the Japanese nuclear event in and around Fukushima, the volcanic ash eruption and the swine flu epidemic, have all now been published online. Everything is being taken forward, I hope, in the right spirit.

My hon. Friend the Member for South Basildon and East Thurrock (Stephen Metcalfe) asked about international collaboration. We work closely with international organisations—the European Union, the UN and so on—and with global leaders in this field. For example, the Singapore Government are a serious leader in this area, and we work with them. We also work with other countries with which we share risks. For example, we work closely with the Netherlands on the risks associated with North sea flooding. There is also ad hoc joint work and research on community resilience and behavioural issues. We work on that with the United States, Canada and the Australians. International collaboration is therefore

[Mr Maude]

very important. There is a huge amount of expertise, and it is in the interests of all countries that we benefit from one another's knowledge, expertise and assessments.

I was asked about volcanic eruption as a risk. I assure hon. Members that the possibility of volcanic eruption is certainly not being omitted from the 2011 NRA. There are two risks in the risk assessment, one of which is a severe, gas-rich volcanic eruption that could reach toxic levels at both ground level and flight altitude. Obviously, that is less likely to occur but would have very significant impacts. We acknowledge that the volcanologists are saying that the likelihood of further volcanic eruptions is higher. We are obviously taking that into account. There is a higher likelihood of a much less severe volcanic ash-rich eruption. A great deal of knowledge was gained from the experience of the eruption last year, and a lot of action has been taken on the back of that.

Andrew Miller: Before the Minister moves on, I am curious to know how information held in other Departments is brought in. Obviously, there is a significant role in some Departments through the Civil Aviation Authority and so on, but the Ministry of Defence also has enormous expertise. Years ago, I was in the Caribbean with the Royal Navy when the volcano on Montserrat blew. The helicopter pilot at that time said to me, "Mr Miller, you can't get any closer to take photographs because these things fall out of the sky if they get the slightest bit of dust in their engines." There is a huge amount of information that is very old, but that we have failed to centralise. What is the right hon. Gentleman doing to shake up other parts of the machinery to get all that information together?

Mr Maude: That is a very good question. Are Government always perfect at ensuring that all the information and knowledge is harvested and garnered from all parts of Whitehall and well beyond, including all the agencies and organisations? No, not by any means. A big part of the role of my officials in the civil contingencies secretariat is to try to ensure that we bring that body of knowledge together as best we can. One would hope that in an event like the volcanic ash eruption, the Ministry of Defence would be intimately involved—I am sure that it was—in assessments and decision making. However, it is a perfectly good question. It will not always be perfectly answered, but we are conscious of the need to maximise the bringing together of all the knowledge on this front.

My hon. Friend the Member for South Basildon and East Thurrock and others talked about space weather. That is potentially a big hazard with really serious impacts. We need to deal with it in a thorough way. The truth is that more work is needed to understand what the wide range of impacts would be from a serious event. The Department of Energy and Climate Change is engaged with National Grid, the energy emergencies executive committee and the British Geological Survey to consider the implications of a severe space weather event for the electricity system as a whole, including the potential impacts on generator transformers and further consideration of the transmission network. We in the Cabinet Office will continue to work with other sectors that could be impacted to develop a more comprehensive understanding of the vulnerability. Work on that issue continues.

The only other time when there was a major event was in 1859—the Carrington event, which has been mentioned. That was a very different world. There have been other events, but they tend to be localised. The likelihood of such an event is therefore not high, but it is real and we need to address it in the best way we can.

My hon. Friend the Member for South Basildon and East Thurrock asked whether we were participating in the European Space Agency's space situational awareness programme, which runs until 2012. We have subscribed to it. It defines the steps that need to be taken on space surveillance and space weather. The UK Space Agency will engage with the potential space weather user community and data service providers to assess the relative priority of funding space weather activities within the ESA space situational awareness programme. That will obviously need to be reconciled with competing demands for other programme opportunities and existing financial commitments, but no clear conclusion has yet been reached. However, we are very aware of the risk, and a great deal of work is going on in relation to it.

I turn to the question of cyber security, which is obviously a serious matter. It was identified in the strategic defence and security review as a high risk, and a significant budget has been attached to the national cyber security programme; as Minister responsible for the Office of Cyber Security and Information Assurance, I have oversight of that programme. Our approach is to ensure that we invest in building capability, as capability is relatively scarce. We have an affordable centre of excellence and expertise at GCHQ.

This is a question not only for the Government but for the whole economy. We discern a marked range in the degree of preparedness of private sector companies on cyber security. Some are highly developed, but it is not only companies focused on internet activities that are vulnerable; it goes much more widely than that. Some companies that ought to be concerned about cyber security do not take it as seriously as they should. Over the coming months, we will be encouraging them to address it seriously. It should be on the agenda of every risk and audit committee, to ensure that it is properly understood and dealt with.

In a few weeks' time, I shall be publishing the Government's cyber-security strategy and I hope that it will receive attention and be debated by the House. These are most important matters, and we must do our best to get them right.

Andrew Miller: I am fairly confident, following Sir Edmund Burton's report on the missing Royal Navy laptop, that part of the Government's response will be about awareness and the training of personnel. Will the Minister confirm that that will happen throughout the civil service machinery? It is no good saying that it belongs only to permanent secretaries or techies in the back room, because it affects us all. There has to be a serious campaign in the public sector to ensure that people understand how serious these challenges are.

Mr Maude: The hon. Gentleman is right, and I do not dissent for a second. Most of it is about being reasonably alert and aware, and taking common sense steps, but higher levels of vulnerability to cyber attack

and cyber crime require a highly sophisticated response coupled with great awareness and agility. Information assurance and not allowing data to go amiss are mostly to do with basic standards of care and alertness.

I am grateful to have had the opportunity to respond to the Committee's thoughtful and serious report. It has been good to ventilate these matters. I assure the House and the Committee that we continue to take these matters seriously. We will continue to engage and interact with the Committee as we take these matters forward.

Sir Alan Meale (in the Chair): We have had a full and frank debate. I am informed that it can continue for another five minutes if the Committee Chairman wishes to raise any other matters.

Andrew Miller: I am grateful to all who contributed to the debate, including my hon. Friend the Member for Llanelli (Nia Griffith), the Opposition spokesperson, and the Minister.

To a great extent, this area transcends party politics. Frankly, given some of the surveys published today on the public's perception of Members of Parliament, people might reflect on the fact that, just occasionally, we work in a collegiate manner towards a common goal. In this case, the common goal is improving safety and security for our citizens. It engages the best scientific brains, both here and further afield, and all political parties are committed to it as a serious priority. I hope that we can continue to work in this positive manner, and address some of the big questions and "what happens if" challenges thrown up by the national risk assessment.

A few detailed questions remain. Once the Minister has seen the transcript of our proceedings, I hope that he will do us the honour of providing a more detailed reply—something that is a little challenging in this environment. I hope that his reply will form the basis of a continued dialogue between the Committee and the Cabinet Office on this important work.

Question put and agreed to.

4.7 pm

Sitting adjourned.